

# **March 2011 Bi-Annual Compliance Training**

**Pharmacist and Intern Version**

**Course #800131**

**Self Paced Training Guide**

March 2011

PLAINTIFFS TRIAL  
EXHIBIT  
**P-15632\_00001**

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## Overview

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**Purpose and Content of the Bi-annual Training** Pursuant to CVS/pharmacy's multi-state agreement, we are mandated to conduct bi-annual compliance training. This self paced guide provides training on the following topics for **Pharmacists and Interns**:

- **Age Restricted Products**
- **PSE**
- **Controlled Substances**
- **Youth Employment Labor Law**
- **Dated Merchandise**

NOTE: There are separate versions for Technicians & PSAs and Front Store colleagues.

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**About the Bi-Annual Assessment process**

You will need to successfully complete an assessment, once all topics have been reviewed, to demonstrate your understanding of CVS/pharmacy policies and procedure regarding each topic.

**Completion of this training will indicate that you understand the policies and procedures regarding each of the topics, as well as the consequences should you fail to follow the proper policies and procedures.**

After achieving a **score of 100% on the assessment**, you will be considered complete.

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## Topic #1 -- Age Restricted Products

### Key Points to Remember

The following are the key points that you must remember when selling Age Restricted Products:

1. At CVS, you are required to input the date of birth for all customers purchasing age restricted products.
  - Legal age for alcohol is 21 and the legal age for tobacco is 18 (or 19 in specific states)
  - CVS restricts the sale of PSE/E, DXM products and Inhalants to those who are at least 18 years of age, requiring proof of age.
  - If the customer appears to be **under the age of 27**, you are responsible for asking them for a valid photo ID for verification. Refuse the sale if ID is not provided.
  - If the customer appears to be **over the age of 27**, you are responsible for asking them for their date of birth.
  - Accurately enter the customer's date of birth into the register, when prompted.
  - Refuse underage sales
2. Know state and local specific laws (e.g. IN and TN must request ID from all customers purchasing alcohol).
3. If your store has a **black light unit**, it **MUST be used to verify all IDs** presented for the purchase of Pseudoephedrine/ephedrine ("PSE/E"), cigarettes, alcohol and Money Orders.
  - **At NO time should we confiscate the customer's ID.** If the customer has any further questions refer them to a member of management or provide them with the 1-800 SHOP CVS telephone number.
4. Always remember if you have any doubts about the validity of an ID you are not required to accept it. If you have any doubts, ask for a second ID.
5. When handling challenging situations,
  - Always be polite and informative and explain that you and the customer could be held liable if you make the sale.
  - Tell your friends that you could lose your job if you sell restricted products illegally.

#### Overview



The Age Restricted Products section is designed to educate you regarding transactions involving age restricted products at the register. Age restricted products include:

- Cigarettes/Tobacco
- Alcohol
- Dextromethorphan (DXM)
- Inhalants
- Pseudoephedrine/Ephedrine (PSE/E) – *which will be reviewed as part of topic #2 since there are additional requirements for these products*

One important step that is required when processing any of these restricted product transactions is to request valid identification from the customer. The following sections provide information regarding how and when to ask for ID, acceptable forms of ID and handling challenging situations (e.g. spotting a fake ID, refusing a sale, peer pressure).

## Your Responsibility

<b>Every Colleague's Responsibility</b>	<p>All sales of age restricted products require proper identification. Violating the law is not only illegal, it also reflects badly on the company, the store and the colleague who rang up the sale.</p> <p><b>At CVS, you are required to input the date of birth for all customers purchasing age restricted products.</b></p> <ul style="list-style-type: none"> <li>• If the customer appears to be <b>under the age of 27</b>, you are responsible for asking them for a valid photo ID for verification.</li> <li>• If the customer appears to be <b>over the age of 27</b>, you are responsible for asking them for their date of birth.</li> <li>• Accurately enter the customer's date of birth into the register, when prompted.</li> <li>• Refuse underage sales.</li> </ul> <p><b>Consequence:</b> Failure to follow regulations will be regarded as a violation and result in disciplinary action up to, and including, termination of employment.</p> <p>In addition,</p> <ul style="list-style-type: none"> <li>• The Management Team Member in charge will have all violations committed by colleagues under their supervision considered as part of their performance review.</li> <li>• If you, or a person under your supervision, fail to properly check ID and sell age-restricted products to a person who is under the legal age, you may be held personally liable and/or arrested for committing a crime in addition to disciplinary action taken by CVS/pharmacy.</li> </ul>

## Identification

<b>How to Ask for Identification</b>	<p>How do you know when to ask for a customer's identification? Here are some tips...just think <b>NEAR</b>:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25px; text-align: center; padding: 5px;">N</td><td style="width: 25px; text-align: center; padding: 5px;">Nervous</td><td> <ul style="list-style-type: none"> <li>• Does the customer appear to be nervous? <i>Listen to the tone of voice and the words being used.</i></li> </ul> </td></tr> <tr> <td style="width: 25px; text-align: center; padding: 5px;">E</td><td style="width: 25px; text-align: center; padding: 5px;">Eye Contact</td><td> <ul style="list-style-type: none"> <li>• Is the customer reluctant to make eye contact with you? <i>Often times, underage customers will avoid eye contact.</i></li> </ul> </td></tr> <tr> <td style="width: 25px; text-align: center; padding: 5px;">A</td><td style="width: 25px; text-align: center; padding: 5px;">Appearance</td><td> <ul style="list-style-type: none"> <li>• Remember, the magical age is 27. Anyone who appears to be under the age of 27 is someone you should be asking for their identification. <i>Pay attention to the customer's appearance; hairstyles and wrinkles - they can be a big tip-off to a person's age.</i></li> </ul> </td></tr> <tr> <td style="width: 25px; text-align: center; padding: 5px;">R</td><td style="width: 25px; text-align: center; padding: 5px;">Rush</td><td> <ul style="list-style-type: none"> <li>• Does the customer appear to be trying to rush you through the sale? <i>Never allow a customer to make you feel that you need to go so fast that you don't do your job properly.</i></li> </ul> </td></tr> </table>		N	Nervous	<ul style="list-style-type: none"> <li>• Does the customer appear to be nervous? <i>Listen to the tone of voice and the words being used.</i></li> </ul>	E	Eye Contact	<ul style="list-style-type: none"> <li>• Is the customer reluctant to make eye contact with you? <i>Often times, underage customers will avoid eye contact.</i></li> </ul>	A	Appearance	<ul style="list-style-type: none"> <li>• Remember, the magical age is 27. Anyone who appears to be under the age of 27 is someone you should be asking for their identification. <i>Pay attention to the customer's appearance; hairstyles and wrinkles - they can be a big tip-off to a person's age.</i></li> </ul>	R	Rush	<ul style="list-style-type: none"> <li>• Does the customer appear to be trying to rush you through the sale? <i>Never allow a customer to make you feel that you need to go so fast that you don't do your job properly.</i></li> </ul>
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## Identification, Continued

<b>Acceptable Forms of Identification</b>	<p>The <b>only</b> acceptable forms of identification to verify the age of a purchaser are the following:</p> <ul style="list-style-type: none"> <li>• State Drivers License (U.S.)</li> <li>• Provincial Drivers License (Canada)</li> <li>• State-issued ID (U.S.)</li> <li>• Provincial-issued ID (Canada)</li> <li>• Military ID (U.S. only)</li> <li>• U.S. Passport</li> </ul> <p><b>NOTE:</b> Many illegal sales are made to minors who produce IDs showing that they are in fact under the legal age. Therefore it is important to devote the time and effort needed to perform the necessary calculation to establish whether the customer is of legal age.</p>
<b>How to Spot Fake Identification</b>	<p><b>You are not required to accept any ID that you think is questionable.</b></p> <p>You may be wondering how you'll know if the identification presented is legitimate. Here are some things to look for and verify:</p> <ul style="list-style-type: none"> <li>• Photo and description match the customer' appearance</li> <li>• Under bright light are there printing flaws, lamination peeling, bubbles or alterations? Verify that the state seal, logo or hologram have not been altered.</li> <li>• Question customers about their birth date, address and license number. Many have not memorized the correct information or forget when pressured.</li> <li>• Is the back of the ID blank? Many fake IDs are blank on the back.</li> </ul> <p>Always remember if you have any doubts about the validity of an ID you are not required to accept it. If you have any doubts, ask for a second ID. People with fake IDs rarely carry back-up identification.</p>
<b>About the Black Light Unit (select stores only)</b>	<p>Black light units are used to detect counterfeit Cash, Driver's Licenses and Travelers Checks. If your store has a black light unit, it <b>MUST</b> be used to verify all IDs presented for the purchase of Restricted Products, including but not limited to the following: <b>Pseudoephedrine/ephedrine ("PSE/E"), cigarettes, alcohol and Money Orders.</b></p> <ul style="list-style-type: none"> <li>• Most valid state IDs have an ultraviolet ("UV") property imbedded on the front of the ID.</li> <li>• If the ID is not valid, notify the customer that we were not able to validate their ID and cannot complete the sale for PSE/E, cigarettes or alcohol products. Return their ID. <b>At NO time should we confiscate the customer's ID.</b> If the customer has any further questions refer them to a member of management or provide them with the 1-800 SHOP CVS telephone number.</li> </ul> <p><b>Consequence:</b> Failure to follow regulations will be regarded as a violation and result in disciplinary action up to, and including, termination of employment.</p>

## Challenging Situations

<b>How to Refuse a Sale</b>	<p>Occasionally you will have to refuse to sell a restricted product to a customer. How you communicate the refusal will set the tone for how the customer will react. Your tone of voice, body language and choice of words can either diffuse or ignite a confrontation with a customer.</p> <p>Follow these general guidelines:</p> <ul style="list-style-type: none"> <li>• Remain calm</li> <li>• Remove the product from the counter</li> <li>• Be polite, apologize and maintain a customer service attitude</li> <li>• Remember that refusing a sale is not your choice; it is the law</li> </ul> <p>Examples of what you might say when refusing a sale:</p> <ul style="list-style-type: none"> <li>• "I'm sorry. It's against the law"</li> <li>• "I can be fined and even lose my job"</li> <li>• "Is there anything else I can get you?"</li> <li>• "I'd be happy to hold this for you while you go get your ID"</li> <li>• "I'm sorry, but your ID confirms that you are under the age of 18, so I will not be able to complete your purchase of these tobacco products"</li> </ul> <div data-bbox="367 834 1428 939" style="border: 1px solid black; padding: 5px;"> <p><b>NOTE:</b> Confrontational customers may be a challenging part of your job, but you have the responsibility to refuse underage sales. Don't let an abusive customer discourage you from carding in the future.</p> </div>
<b>Third Party Sales: Adult Purchasing For a Minor</b>	<p>You may also find yourself in a situation where you suspect that your customer may be making a third party purchase (e.g. a customer who is purchasing an age restricted product for a minor. It may be an adult making the purchase or an individual who is just over the legal age purchasing or a friend.)</p> <p>How do you handle this type of situation? The responsible thing to do is to refuse the sale, as described in the previous section.</p> <p>Keep a few things in mind in this type of situation:</p> <ul style="list-style-type: none"> <li>• Be polite and informative</li> <li>• Explain that you and the customer could be held liable if you make the sale (some state laws specifically prohibit adult purchase of restricted products on behalf of a minor; check your state law).</li> </ul>
<b>Contacting the Authorities</b>	<p>If you are faced with a challenging situation that you cannot resolve (e.g. identification issue, resistance when refusing a sale, third party sales, etc.), contact a member of your management team. If appropriate, a member of management should contact their local police for assistance.</p>

## Cigarette & Tobacco Sales

### Legal & CVS Requirements



*Cigarette smoking is the most preventable cause of premature death in the U.S.*

- *Each year, more than 400,000 Americans die from cigarette smoking.*
- *Approximately 80% of adult smokers started smoking before the age of 18.*
- *Every day, nearly 5,000 young people under the age of 18 try their first cigarette.*
- *Because of the addictive nature of nicotine, young people may show signs of addiction after smoking only a few cigarettes or using smokeless tobacco products for only a short period of time.*

All 50 states and the District of Columbia have laws regarding the purchasing of tobacco products by individuals under the age of 18 (19 in Alabama, New Jersey and select local jurisdictions).

- This includes not only cigarettes and cigars, but also products such as nicotine patches, nicotine gum, smokeless tobacco, pipes, etc.
- Consult your Store Manager for your states' minimum age and obtain a copy of your state's law on the sale of tobacco products.

On June 22, 2010, the FDA established the following additional federal regulations regarding the retail sale and merchandising of tobacco products:

- Identification must be checked for customers that appear younger than 27 years old.
- All tobacco sales must be made face-to-face. All displays of cigarettes, cigars and smokeless tobacco must be kept behind the counter.
- Packs may not be broken into smaller quantities. This prohibits the sale of "loosies", or cigarettes in packs with fewer than 20.
- T-shirts, ball caps, key chains, other items promoting tobacco products may not be sold.
- Free samples of cigarettes or smokeless tobacco are prohibited.

***Our company policy at CVS/pharmacy states that:*** "Tobacco products have been proven to cause a multitude of health problems and deaths, and use of tobacco products by youths must be prevented. It is against the law to sell products containing tobacco/nicotine to any person under the age of eighteen (18), or any person under the age of nineteen (19) in the States of Alabama and New Jersey, as well as select local jurisdictions. It is your responsibility to verify a customer's age before selling tobacco/nicotine products. To prevent sales to anyone under the legal age who may look older than their age, you must ask for proper identification to verify the age of any buyer under 27 before selling tobacco/nicotine products. (This includes not only cigarettes and cigars, but also products such as nicotine patches, nicotine gum, loose tobacco, snuff or smokeless tobacco, and smoking paraphernalia such as pipes, rolling papers and cigarette rolling machines.) All store personnel make every reasonable effort to cooperate in the enforcement of applicable youth tobacco access laws."

To prevent sales to anyone under the legal age, the register will prompt you to enter the customer's date of birth. It is your responsibility to ask for identification in the form of a valid photo ID from any customer purchasing cigarette and tobacco products. If the customer appears to be over the age of 27, you are required to ask for their date of birth.

**Consequence:** Failure to follow regulations will be regarded as a violation and result in disciplinary action up to, and including, termination of employment. In addition, if you, or a person under your supervision, fail to properly check ID and sell age-restricted products to a person who is under the legal age, you may be held personally liable and/or arrested for committing a crime in addition to disciplinary action taken by CVS/pharmacy.

## Alcohol Sales

**IMPORTANT:** The Alcohol training portion of this course is only required to be completed by individuals who work in stores that currently sell alcohol.

**NOTE:** Ask your Store Manager for a copy of your state's laws on alcohol sales.

Be sure to ask if there are any additional restrictions that impact your store. For example, states may restrict the age of colleagues who can sell alcohol products or who is required to produce a valid ID to purchase alcohol.

### Legal & CVS Requirements



All 50 states and the District of Columbia have state laws making it illegal to sell alcohol products to any person under the age of 21. CVS/pharmacy policy states:

- It is illegal to sell alcohol products to any person under the age of twenty-one (21).
- It is your responsibility to verify a customer's age before selling alcohol products.

As mentioned in the previous section, to prevent sales to anyone under the legal age who may look older than their age, the register will prompt you to enter the customer's date of birth. It is your responsibility to ask for identification in the form of a valid photo ID from any customer purchasing alcohol products. If the customer appears to be over the age of 27, you are required to ask for their date of birth.

Alcohol products are defined as Beer, Wine and Liquor

### INDIANA & TENNESSEE STORES ONLY:

Indiana and Tennessee stores are required to have customers of any age produce valid identification before any purchase of alcohol.

### Hours of Sales

In addition to the age restriction, some states provide specific guidelines regarding the hour in which the sale of alcohol products is permitted. It is illegal for anyone to sell alcohol products outside of these hours.

States may also provide restrictions on the sale of alcohol products on specific days or holidays. Consult a member of management for any restrictions that may apply to your store.

**Consequence:** Failure to follow regulations will be regarded as a violation and result in disciplinary action up to, and including, termination of employment.

## DXM Product (Dextromethorphan) Sales

### Overview



*According to recent studies, the abuse of over the counter medicines containing dextromethorphan (DXM) has increased dramatically, mostly among teens. Abuse is generally seen in teens and pre-teens because they believe that since it's not illegal, it's ok and DXM is easy for them to purchase.*

To assist in the reduction of DXM abuse, CVS/pharmacy does not sell products containing DXM to customers under 18. You will need to verify the customer's ID for proof of age.

To prevent sales to anyone under the legal age, the register will prompt you to enter the customer's date of birth. It is your responsibility to ask for identification in the form of a valid photo ID from any customer purchasing DXM products. If the customer appears to be over the age of 27, you are required to ask for their date of birth.

#### Consequences:

Adherence to the law and CVS policy regarding DXM is mandatory. Failure to follow regulations will be regarded as a violation and result in disciplinary action up to, and including, termination of employment.

### What is DXM?



- DXM, or dextromethorphan, is an ingredient found in many over-the-counter cough medicines. When used responsibly, DXM products have been proven to be very safe and effective.
- Unfortunately, when taken in recreational doses (which far exceed recommended doses), DXM can be very dangerous, causing serious damage, side effects and even death.
- Products sold over-the-counter containing DXM include: Alka Seltzer Plus, Benylin, CVS Tussin DM, Dimetapp DM, Robitussin DM, Tylenol Cold and Vicks Nyquil to name a few.

### Customer Service

Customers may question the need to provide proof of age for the purchase of their cold medicine, as all may not be aware of the policy.

For DXM purchases, the register will print the following buffer message to hand to the customer - *"Preventing Teen Cough Medicine Abuse. You must be 18 years of age to purchase cough medicine containing dextromethorphan. Visit our Wellness Information Center for a Parent's Guide."*

Below are some examples of how to handle those situations:

Questions may include:	Responses may include:
"Why do I need to provide identification to make a purchase of a cold medicine?"	"I'm sorry for the inconvenience. Many cold medicines contain an active ingredient called dextromethorphan (DXM)."
"I sent my child into your store to purchase some cough medicine and he/she was not allowed to...why?"	CVS policy requires that all customers purchasing a product containing DXM must show proof of age (18).  If you'd like, I can check with the Pharmacist for additional information."

## Inhalant Product Sales (including Dust Off products)

<b>Overview</b>	<p><i>According to national surveys, abusively inhaling common household products is becoming one of the most widespread problems in the country. It has been reported that more than a million people used inhalants to get high in 2008. By the time a student reaches the 8th grade, one in five will have used inhalants.</i></p>
	<p>“Inhalant abuse” refers to the intentional breathing of gas or vapors with the purpose of reaching a high. Inhalants are legal, everyday products which have a useful purpose, but can be misused.</p> <p>To assist in the reduction of inhalant abuse, CVS/pharmacy does not sell select products designated as inhalants, such as Dust Off, to customers under the age of <b>18</b>. You will need to verify the customer’s ID for proof of age.</p> <p>To prevent sales to anyone under the legal age, the register will prompt you to enter the customer’s date of birth. It is your responsibility to ask for identification in the form of a valid photo ID from any customer purchasing inhalant products. If the customer appears to be over the age of <b>27</b>, you are required to ask for their date of birth.</p>

<b>Customer Service</b>	Customers may question the need to provide proof of age for the purchase of select inhalant products, as all may not be aware of the policy.	
	Below is an example of how to handle this situation:	
	<b>Questions may include:</b> “Why do I need to provide identification to make a purchase of Dust Off?”	<b>Responses may include:</b> “I’m sorry for the inconvenience. This is known to be abused as an inhalant. CVS policy requires that all customers purchasing this product must show proof of age (18 years).”

## Topic #2 – Pseudoephedrine/Ephedrine (PSE/E)

### Key Points to Remember

Review the following key points that you must remember about receiving, merchandising and selling PSE/E products at CVS:

1. **PSE/E product MUST be merchandised behind the Pharmacy counter at all times.**
  - This product should be delivered to your store in separate totes along with controlled substances and delivered to the Pharmacy area; however, if you come across a PSE/E product when putting away the delivery you must bring it to the attention of a member of management and NOT merchandise the product on the salesfloor, accessible to customers.
  - Management must take the proper steps to receive and check-in PSE/E product.
  - **There are no exceptions to this policy.**
2. A valid State or Government issued photo identification is required of any customer purchasing PSE/E products and the customer **MUST** be over the age of **18** to purchase any PSE/E product, unless sold as a prescription.
3. **PSE/E products may only be sold through the register at the Pharmacy checkout.** All PSE/E products must be processed through MethCheck POS, using the POS register and following the prompts without exception. *(excludes PSE/E dispensed as a prescription)*
4. Due to the ever changing requirements, it is your responsibility to know the federal, state and local laws regarding PSE/E. Some states are more stringent than the Federal Law (e.g. MS, NC and states that do not allow PSAs to sell PSE/E).
5. Immediately report any incident of non-compliance with federal or state law, company policy OR any suspicious activity. First, report the matter to the **EthicsLine by calling 877-CVS-2040** or online at [www.cvsicaremark-ethicsline.ethicspoint.com](http://www.cvsicaremark-ethicsline.ethicspoint.com). Second, if you're comfortable doing so, inform your immediate supervisor of your concerns.

#### Overview



**Pseudoephedrine/ephedrine (PSE/E)** is an ingredient that is used in many over the counter (OTC) cough and cold products. Unfortunately, it is also purchased to illegally manufacture methamphetamine.

**Methamphetamine (“Meth”)** is a highly addictive, dangerous and illegal drug that negatively impacts our society.

As a result, the Federal Government enacted the Federal Combat Methamphetamine Epidemic Act (CMEA) (effective April 2006). This law limits the quantity of Pseudoephedrine/ephedrine products that may be sold to a customer at a given time, making it difficult for criminals to manufacture “Meth.”

In addition to the Federal Law, some states and localities have enacted more stringent laws addressing this same issue.

As a CVS/pharmacy colleague, you play a role in ensuring that we are consistently compliant with these laws/regulations.

**Consequence:** Failure to comply with the company policies related to the sale of PSE/E will result in disciplinary action up to and including termination.

## Pseudoephedrine/Ephedrine (PSE/E), Continued

<b>PSE/E Terms</b>	The following terms must be understood before proceeding with this course:	
	<b>Term</b>	<b>Definition</b>
	Methamphetamine	Methamphetamine ("Meth"), commonly known by its street name "Crystal Meth", is a powerfully addictive synthetic stimulant that dramatically affects the central nervous system.
	Pseudoephedrine/ephedrine	Pseudoephedrine/ephedrine (PSE/E) is commonly used as a nasal decongestant associated with colds and allergies.  Some examples of products containing PSE/E include: Contact, Sudafed, and Claritin-D.
	Single-source PSE/E products	A product whose only (sole) active ingredient is Pseudoephedrine/ephedrine (e.g., Sudafed) is referred to as a "single-source" product.
	Multi-source PSE/E products	A product that has multiple active ingredients, one of which is Pseudoephedrine/ephedrine (e.g., Sudafed Cough & Cold) is referred to as a "multi-source" product.

<b>Ingredients of "Meth"</b>	"Meth" is produced in illegal laboratories using relatively inexpensive over-the-counter ingredients, including Pseudoephedrine/ephedrine products.		
	The following list includes some additional products sold over-the-counter that can be used in the production of Methamphetamine:		
	<ul style="list-style-type: none"> <li>• Lithium batteries</li> <li>• Rock or table salt</li> <li>• Camping fuel</li> <li>• Iodine</li> <li>• Aluminum foil</li> </ul>	<ul style="list-style-type: none"> <li>• Anhydrous ammonia</li> <li>• Coffee filters</li> <li>• Assorted glassware</li> <li>• Plastic soda bottles</li> <li>• Matchbooks</li> </ul>	<ul style="list-style-type: none"> <li>• Starter Fluid</li> <li>• Drain cleaner</li> <li>• Acetone</li> <li>• Brake cleaner</li> </ul>

## PSE/E and Its Effects

<b>Prime Target</b> 	<p>As you can see from the description of "Meth" and the list of items used to produce "Meth", your store may carry a number of these products. For that reason, CVS/pharmacy can be a prime target for those individuals (also referred to as "cooks") who operate the illegal "Meth" labs and who may steal or attempt to buy large quantities of these ingredients.</p> <ul style="list-style-type: none"> <li>• All CVS colleagues must be able to recognize PSE/E products that may be used to produce "Meth".</li> <li>• If these products are found on the sales floor, instead of behind the Pharmacy counter or are brought to the front register by a customer to purchase, <u>it is your responsibility to ensure that the product is returned to the Pharmacy and processed through a Pharmacy register.</u></li> <li>• All incidents must be reported. First, report the matter to the <b>EthicsLine by calling 877-CVS-2040</b> or online at <a href="http://www.cvscaremark-ethicsline.ethicspoint.com">www.cvscaremark-ethicsline.ethicspoint.com</a>. Second, if you're comfortable doing so, inform your immediate supervisor of your concerns.</li> </ul>
<b>"Meth" Lab Danger</b>	<p>By controlling the purchases of these products and limiting the amount of PSE/E product that can be sold, we are playing an important part in reducing the number of "Meth" labs:</p> <ul style="list-style-type: none"> <li>• "Meth" labs pose numerous dangers to the health, environment, and finances of our customers and communities.</li> <li>• Toxic, hazardous and explosive chemicals are by-products of "Meth" manufacturing.</li> <li>• "Meth" labs produce 6-7 pounds of toxic waste for every pound of "Meth" made.</li> <li>• Most of this toxic by-product is trapped within the walls or carpet of the labs.</li> <li>• The remaining by-products are dumped in local areas, contaminating the soil and water, killing off vegetation, plants and animals.</li> <li>• Many of the chemicals involved in manufacturing Meth present a danger to everyone.</li> <li>• Communities near lab sites are at risk of exposure to infectious disease (skin puncture by drug paraphernalia (needles) that may have been dumped throughout the neighborhood).</li> <li>• Recent statistics show an increase in Federal costs associated with "Meth" lab clean-up, from \$2 million to \$23.8 million in just 7 years.</li> </ul>
<b>Environmental Issues</b>	<p>Toxic, hazardous and explosive chemicals are by-products of the "Meth" manufacturing process. In many cases, these chemicals are dumped down the drain of many "Meth" labs, which results in a significant negative impact on the environment:</p> <ul style="list-style-type: none"> <li>• If these drains are connected to a sanitary sewer system, it could have a tremendous impact on the wastewater treatment plants.</li> <li>• If waste products are disposed of into a septic system, it will cause that system to be ineffective and will contaminate the soil and ground water around that system.</li> <li>• If users and "cooks" dump this toxic waste into storm sewers, the waste will eventually make its way into lakes, rivers and streams. This will kill fish, birds, and other animals as well as contaminate the surface water.</li> </ul>

## PSE/E Legal Requirements

<b>CVS/pharmacy Policy</b> 	<p>CVS/pharmacy policy regarding the sale of PSE/E products is to restrict the sale of PSE/E products in accordance with federal, state, and local PSE/E sales guidelines.</p> <p>A valid State or Government issued photo identification is required of any customer purchasing PSE/E products and the customer <b>MUST</b> be over the age of <b>18</b> to purchase any PSE/E product, unless sold as a prescription. <b>PSE/E must be merchandised behind the Pharmacy counter.</b> This makes certain that direct access by customers is prohibited. There are no exceptions to this policy.</p> <p>In addition to compliance with federal, state and local law, CVS policy requires that all products containing <b>PSE/E</b> be sold exclusively through the register at the Pharmacy checkout and must be processed through the MethCheck POS system.</p>
<b>Federal Law</b>	<p>The Federal Combat Methamphetamine Epidemic Act (CMEA) limits the quantity of PSE/E products that can be sold at a given time and imposes other requirements.</p> <p>Compliance includes:</p> <ul style="list-style-type: none"> <li>• Merchandising products containing Pseudoephedrine/ephedrine, both single and multi-source, behind a counter</li> <li>• Requiring a valid State or Government issued photo identification of any customer purchasing PSE/E products</li> <li>• Completion of a PSE/E tracking log accurately and thoroughly for all PSE/E product transactions (register terminal will prompt you) using MethCheck</li> <li>• Limiting the daily sale of any product containing PSE/E to 3.6 grams per customer, unless a state provides a more stringent regulation</li> <li>• Limiting the sale of PSE/E products to not more than 9 grams per customer per 30-day period</li> <li>• Retention of PSE/E logs at store level for a minimum of 2 years, or the ability to electronically retrieve transaction information</li> <li>• Reporting any unusual or excessive loss or disappearance of PSE/E</li> </ul>
<b>State and Local Law</b>	<p>In some states, the regulations regarding PSE/E products may be more stringent than the Federal Law. Be sure to discuss any state or local regulations that may impact the sale of PSE/E with your Store Manager. Refer to the State Compliance Requirements chart later in this document for specific requirements for your state.</p> <p>Signage is posted, in all stores, in the Cough &amp; Cold aisle, directing customers to the pharmacy to purchase PSE/E items.</p> <p><b>NOTE:</b> Iowa, North Carolina, Oklahoma and Michigan stores have state-mandated PSE/E specific sign requirements that they must adhere to. Discuss state requirements with a member of management.</p>

## PSE/E Legal Requirements, Continued

Mississippi & Oregon Stores only	If your store is located in <b>Mississippi</b> and <b>Oregon</b> , the state requires that all PSE/E products be sold by <b>prescription only</b> .
North Carolina Stores only	<p><b>North Carolina</b> established restrictions regarding the sale of PSE/E products which include the following:</p> <ul style="list-style-type: none"> <li>• One person may not purchase more than two packages (containing a combined total of more than 3.6 grams) of any pseudoephedrine/ephedrine products per calendar day, except by prescription</li> <li>• One person may not purchase more than three packages (containing a combined total of more than 9 grams) of pseudoephedrine/ephedrine products within any 30-day period, except by prescription</li> <li>• In order to sell PSE/E OTC, an individual must be at least 18 years of age (age must be verified by photo identification bearing date of birth)</li> <li>• NC requires that the product be merchandised and sold from behind the checkout (at CVS that is the Pharmacy Checkout), which is consistent with CVS policy</li> </ul> <p><b>NOTE:</b> The POS register will prompt you if the package or gram thresholds have been exceeded during the transaction.</p> <p>The CVS Methcheck POS system (this system will be discussed in more detail later in this section) addresses North Carolina's requirements for logbook maintenance. The POS system captures the following required personal information from the ID scan and product scan:</p> <ul style="list-style-type: none"> <li>• name and weight of pseudoephedrine/ephedrine-containing product sold</li> <li>• name and address of purchaser</li> <li>• time and date of sale</li> </ul> <p><b>NOTE:</b> If for any reason the ID will not scan or the necessary information is not available from the ID, you will be prompted to enter the name and address of purchaser manually.</p> <p>Customers must sign the electronic signature pad on the Payment Terminal at the time of sale to verify the entries are accurate, just as is done for all other PSE/E transactions at CVS.</p> <p><b>North Carolina</b> also requires signs to be posted in the area of the store where PSE/E products are sold advising customers of the sales restrictions stated above.</p> <ul style="list-style-type: none"> <li>• This message will display on the Payment Terminal as well and colleagues should instruct the customer to read the statement before signing.</li> </ul>

## PSE/E Legal Requirements, Continued

<b>Oklahoma Stores only</b>	<p>The State of Oklahoma requires all pharmacies to check the online Meth Registry database before selling OTC PSE products or filling any prescriptions which contain pseudoephedrine. The Meth Registry is housed on the Oklahoma Drug Tracker website used for the <u>Prescription Monitoring Program</u> ("OK DT/PMP Website").</p> <ul style="list-style-type: none"> <li>• The Meth Registry must be checked prior to selling any PSE products to customers. This includes both OTC and Prescription PSE:           <ul style="list-style-type: none"> <li>◦ <b>Prescription PSE:</b> The Drop Off technician or Quality Assurance pharmacist must ensure a patient is not on the Meth Registry prior to filling their prescription.</li> <li>◦ <b>OTC PSE Purchase:</b> When selling OTC PSE the customer should be directed to consultation or Drop Off if consultation is not available. The Meth Registry should be checked either by a data entry technician or the Quality Assurance pharmacist. If the patient is not on the Meth Registry continue with normal Meth Check procedures at the register and complete the sale.</li> </ul> </li> <li>• If a patient/customer is found to be on the Meth Registry after searching, we CANNOT dispense or sell PSE to this individual. In a manner ensuring no other customers can overhear the conversation, Pharmacy Team members should politely communicate to the patient/customer that we are unable to dispense PSE without exception. If a customer still has questions advise them to contact the Oklahoma BNDD.</li> </ul> <p><b>CVS/pharmacy COMPANY POLICY:</b></p> <ul style="list-style-type: none"> <li>• It is a gross violation of company policy to access the Oklahoma drug tracker/meth registry/PMP from outside the pharmacy.</li> <li>• It is a gross violation of company policy to access the Oklahoma drug tracker/meth registry/PMP for reasons other than checking the meth registry or monitoring the use of controlled substances in direct relation to patient care.</li> <li>• All pharmacy colleagues must comply with our HIPAA privacy standards in connection with any use of the Oklahoma drug tracker/meth registry/PMP system to ensure we protect the privacy of all our patients.</li> <li>• Protected health information must be safeguarded and protected from inappropriate or unintentional disclosure at all times.</li> </ul>
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<b>Iowa Stores only</b>	<p>According to Iowa Law related to the sale of PSE/E, the unique ID of the approving Pharmacist or Pharmacy intern for PSE/E sales must be recorded when the sale is completed.</p> <ul style="list-style-type: none"> <li>• The Methcheck POS system will record the ID number of the Pharmacist or Pharmacy intern that completes the sale and maintain the information in a database along with all other purchase details.</li> <li>• To comply with this regulation it is necessary for the Pharmacist or Pharmacy intern that authorizes the sale of the PSE/E product to complete the sale on the POS register. If the Pharmacist or Pharmacy intern is not logged onto the register when the sale needs to be completed it will be necessary for the person signed on to the register to sign off and for the Pharmacist or Pharmacy intern to sign on to the register and complete the sale.</li> </ul>
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## State Compliance Requirements

In some states, the regulations regarding PSE/E products may be more stringent than the Federal Law. Be sure to discuss any state or local regulations that may impact the sale of PSE/E with your Store Manager. The following requirements are in addition to the federal limit of 3.6 grams per day per customer.

**In cases of conflict between the state and federal requirements, the most restrictive requirement will be applied in all cases. For example, even if a state statute allows the sale of more than 3.6 grams per day, federal law will prohibit such a sale.**

AK	AL	AR	AZ	CA
16 Years Old Or Older	18 Years Old Or Older	18 Years Old Or Older	3pkg Per Transaction	3pkg Per Transaction
6g Per 30 Days	3.6g Per Day	3g Per Package	9g Per Transaction	9g Per Transaction
	9g Per 30 Days	3pkg Per Transaction		18 Years Old Or Older
		9g Per 30 Days		
		96 capsules Per Package		
		Only registered Pharmacists and Pharmacy Technicians may sell PSE/E		
CO	DE	FL	GA	HI
18 Years Old Or Older	18 Years Old Or Older	3.6g per day	3pkg Per Transaction	3.6g Per Day
3.6g Per Day	9g Per 30 Days	3pkg Per Transaction	9g Per Transaction	9g Per 30 Days
		9g Per 30 Days		
		18 Years Old Or Older		
IA	ID	IL	IN	KS
7.5g Per 30 Days	9g Per 30 Days	18 Years Old Or Older	18 Years Old Or Older	18 Years Old Or Older
1 Package Per Day	9g Per Transaction	2pkg Per Transaction	3.6g Per Day	3.6g Per Transaction
PSE Products are C-V		3g Per Package	9g Per 30 Days	9g Per 30 Days
Only registered Pharmacists and Pharmacy Interns may sell PSE/E (either a Pharmacist or Pharmacy Intern must be signed on to the register and complete the sale)		7.5g Per 30 Days		PSE Products are C-V
		PSE Products are C-V		
		Only registered Pharmacists and Pharmacy Technicians may sell PSE/E		Only registered Pharmacists and Pharmacy Technicians may sell PSE/E
KY	LA	ME	MI	MN
18 Years Old Or Older	9g Per 30 Days	3g Per Package	18 Years Old Or Older	18 Years Old Or Older
3pkg Per Transaction	PSE Products are C-V	3pkg Per Transaction	2pkg Per Transaction	2pkg Per Transaction
9g Per 30 Days		Only registered Pharmacists and Pharmacy Technicians may sell PSE/E	48 Caps Per Transaction	3g (base) Per Package
Only registered Pharmacists and Pharmacy Technicians may sell PSE/E				6g (base) Per 30 Days
				PSE Products are C-V
				Only registered Pharmacists and Pharmacy Technicians may sell PSE/E

**NOTE:** C-V classification excludes liquids and gel caps in all states.

***Due to the ever changing requirements you are responsible to know the federal, state and local laws regarding PSE/E.***

## State Compliance Requirements

MO	MS	MT	NC	ND
18 Years Old Or Older	Prescription Only  Only registered Pharmacists and Pharmacy Technicians may sell PSE/E	9g Per 30 Days	18 Years Old Or Older	18 Years Old Or Older
3.6g Per 24 hours		Only registered Pharmacists and Pharmacy Technicians may sell PSE/E	2pkg Per Day	2.4g Per Package
9g Per 30 Days		Only registered Pharmacists and Pharmacy Technicians may sell PSE/E	3.6g Per Day	2pkg Per Transaction
PSE Products are C-V		Only registered Pharmacists and Pharmacy Technicians may sell PSE/E	3pkg Per 30 Days	3.6g per Day
Only registered Pharmacists and Pharmacy Technicians may sell PSE/E		Only registered Pharmacists and Pharmacy Technicians may sell PSE/E	9g Per 30 Days	9g Per 30 Days
Signs are required to be posted in the area of the store where PSE/E products are sold advising customers of the sales restrictions.				
NE	NJ	NM	NV	OH
18 Years Old Or Older	3 pkg Per Transaction	3.6g Per Day	3.6g Per Day	18 Years Old Or Older
3.6g Per 24 Hours	9g Per Transaction	9g Per 30 Days	9g Per 30 Days	9g Per 30 Days
9g Per 30 Days	PSE Products are C-V  Only registered Pharmacists and Pharmacy Technicians may sell PSE/E	PSE Products are C-V		
		Only registered Pharmacists and Pharmacy Technicians may sell PSE/E		
OR	OK	SC	SD	TN
Prescription Only  Only registered Pharmacists and Pharmacy Technicians may sell PSE/E	9g in 30 days	3 pkg Per Transaction	2 pkg Per Transaction	3 pkg Per Transaction
	PSE Products are C-V	9g Per 30 Days	9g Per 30 Days	9g Per 30 Days
	Only registered Pharmacists and Pharmacy Technicians may sell PSE/E			Only registered Pharmacists and Pharmacy Technicians may sell PSE/E
TX	UT	VA	VT	WA
16 Years Old Or Older	3.6g Per 24 Hours	3.6g Per Day	3.6g Per Day	18 Years Old Or Older
2pkg Per Transaction			2pkg Per Day	
6g Per Transaction			2pkg Per Transaction	
			3g (base) Per Day	
			3g (base) Per Package	
			9g Per 30 Days	
WI	WY	WV		
18 Years Old Or Older	2pkg Per Transaction	18 Years Old Or Older		
7.5g Per 30 Days	3g (base) Per Package	3pkg Per 30 Days		
		9g Per 30 Days		
		PSE Products are C-V		
Only registered Pharmacists and Pharmacy Technicians may sell PSE/E		Only registered Pharmacists and Pharmacy Technicians may sell PSE/E		

NOTE: C-V classification excludes liquids and gel caps in all states.

*Due to the ever changing requirements you are responsible to know the federal, state and local laws regarding PSE/E.*

## Managing PSE/E

Receiving PSE/E	<p>The following procedures are followed for PSE/E product during the receiving process:</p> <ul style="list-style-type: none"> <li>• PSE/E products arrive in sealed totes that also contain prescription products and controlled substances.</li> <li>• Totes containing PSE/E must be delivered immediately to the pharmacy, by Store Management, with the Store Delivery Manifest for pharmacy personnel to complete the PSE/E product check-in.</li> <li>• Only authorized personnel are allowed to have direct access to PSE/E products inside or outside of the delivery totes. <b>Customers should never have any access to PSE/E products whether contained in the totes or in the pharmacy.</b></li> <li>• Pharmacy personnel must check in all PSE/E products piece-by-piece against the Store Delivery Manifest.</li> <li>• Pharmacy personnel must note the date and their initials on the Store Delivery Manifest after validating quantities shipped against the quantities received.</li> <li>• Stores maintain the manifests along with their controlled substance records for five years from the date of delivery.</li> <li>• Stores must note any shortages or overages on the manifest, and must notify Distribution Services at x770-5555 of any shortage or overage of PSE/E products within 24 hours of delivery.</li> </ul>
Merchandising PSE/E	<p><b>CVS/pharmacy policy is to merchandise PSE/E exclusively in the pharmacy, only sold by pharmacy staff</b> and to make certain that direct access by customers is prohibited. Therefore, signage is posted, in all stores, in the Cough and Cold aisle, directing customers to the pharmacy to purchase PSE/E products. PSE/E customers should never be sent to the front registers to pay for their PSE/E purchases. There are <b>no exceptions</b>.</p> <ul style="list-style-type: none"> <li>• Overstock PSE/E must be maintained in the pharmacy in a secured area with no access by customers or unauthorized colleagues.</li> <li>• Stores should minimize the amount of PSE/E overstock maintained at the Pharmacy and take appropriate action to return product to the Distribution Center where necessary.</li> <li>• The transfer of PSE/E products between stores is prohibited.</li> </ul>
Selling PSE/E	<p><b>IMPORTANT:</b> At CVS/pharmacy, all products containing PSE/E must be purchased from the Pharmacy register exclusively and must be processed through the MethCheck POS system.</p> <ul style="list-style-type: none"> <li>• Do not give a customer a PSE/E product from behind the counter to take to a front store register to check out, even if there is a long line at the Pharmacy register.</li> <li>• There are <b>no exceptions to this policy</b>.</li> <li>• A valid State or Government issued photo identification is required of any customer purchasing PSE/E products and the customer <b>MUST</b> be over the age of <b>18</b> to purchase any PSE/E product, unless sold as a prescription.</li> <li>• PSE/E sales must comply with the federal limit of 3.6 grams per customer per day, as well as with any state regulations that provide more stringent limitations.</li> </ul>

## Managing PSE/E, Continued

Disposition / Loss	<p>The following policies are in place regarding the disposition and / or loss of PSE/E product:</p> <ul style="list-style-type: none"> <li>Stores cannot dispose of damaged or outdated PSE/E products in their trash or dumpsters. The RF Damages process will provide specific disposition instructions to stores when damaged or outdated PSE/E is being scanned.</li> <li>Store colleagues must first report any incident of PSE/E loss, diversion, improper sale or mishandling by colleagues to the <b>EthicsLine by calling 877-CVS-2040</b> or online at <a href="http://www.cvscaremark-ethicsline.ethicspoint.com">www.cvscaremark-ethicsline.ethicspoint.com</a>. Second, if you're comfortable doing so, inform your immediate supervisor of your concerns.</li> <li>In addition, Store Managers must report unusual or excessive loss or disappearance of any PSE/E products to the Regional Loss Prevention Manager upon discovery even if the store has not yet determined the exact nature of the loss or theft.</li> <li>Disappearance or loss of even a small quantity of PSE/E may constitute an unusual loss, if the circumstances suggest colleague diversion (i.e. repeated or other pattern of loss)</li> </ul>
Penalties for Violations	<p><b>Consequences:</b></p> <ul style="list-style-type: none"> <li>Adherence to the law regarding PSE/E products is mandatory. Failure to follow regulations will be regarded as a violation and result in disciplinary action up to, and including, termination of employment.</li> <li>Any colleague who fails to comply with CVS policy by merchandising PSE/E product in a location other than behind the Pharmacy counter and/or processes a PSE/E transaction from a Front Store register, regardless of the reason (pharmacy closed, or checkout lines are long), may be subject to disciplinary action up to and including termination.</li> <li>Any colleague, who knowingly, fraudulently or recklessly sells more than the Federal, State, or Local limits for PSE/E product to an individual, may be subject to civil and/or criminal penalties, and discipline, up to and including termination.</li> <li>Any colleague who sells PSE/E to an individual knowing or having reason to believe that it will be used illegally to make methamphetamine may be subject to criminal prosecution and discipline up to and including termination.</li> <li>Retailers and individual colleagues may be fined if they willfully and knowingly violate sales limits, sales restrictions, product placements, sign posting, ID, record keeping requirements or POS data entry.</li> </ul>

## PSE/E Diversion

<b>How PSE/E is Diverted for Meth Production</b>	<p>As previously mentioned, there is much criminal activity associated with "Meth" products. As a store colleague, it is important that you be aware of some of the methods by which these individuals have, historically, obtained the ingredients they need by:</p>	
	<p><b>Method</b></p> <p><b>Smurfing</b></p> <p>Smurfing involves the retail purchase of sub-threshold amounts by organized groups of individuals that either send in multiple purchasers into the same location or visit a large number of different locations.</p> <p><b>Best practices to mitigate against the threat posed by smurfing include:</b></p> <ul style="list-style-type: none"> <li>• Strictly comply with applicable laws, regulations, and CVS policies and procedures regarding the sale of PSE/E products.</li> <li>• Be mindful of any attempt to circumvent the quantity limitations and photo identification requirements for PSE/E products.</li> <li>• Be mindful of purchases of PSE/E products by groups of individuals who seem associated with each other-- note whether they come in together, speak to one another, or exhibit other indicators of association. Do not proceed with any transaction if you have reason to believe that the sale is suspicious.</li> <li>• Watch for customers who appear to enlist the help of someone else to purchase a PSE/E product for them. Be alert for the use of fake identification cards or the use of identification cards belonging to someone else. For example, if you see the same individual coming into the store on consecutive days or multiple times per week, pay particular attention to the identification being presented. Do not proceed with the transaction if there is any question regarding the validity of a customer's identification.</li> <li>• If you believe you have detected a group of smurfers, contact other local CVS pharmacies, if possible, to alert them, since smurfers often travel to multiple pharmacies in a day.</li> </ul> <p><b>Shelf Sweeping and Shoplifting</b></p> <p><b>Shelf sweeping</b> occurs when individuals or groups remove all the shelf stock and exit the store, similar to a "smash and grab" shoplifting technique.</p> <p><b>Shoplifting</b> occurs when individuals remove stock from the shelves and exit the store without paying.</p> <p><b>Best practices to avoid shelf sweeping and shoplifting include</b> compliance with company policy that requires that all PSE/E products be stocked behind the pharmacy counter and adherence to pharmacy security requirements.</p>	

## Recognizing the “Red Flags” of PSE/E Suspicious Activity

### Overview



Customers that are trying to illegally obtain PSE/E products may try to trick you into letting them purchase PSE/E products in a number of ways:

1. By splitting up transactions among several people.
2. They may come into the store several times during the same day in order to conduct transactions in smaller amounts, or they may come in once but go to two different registers.
3. Use invalid or fake ID's to purchase PSE/E
4. Frequent weekly / monthly trips to the pharmacy to purchase PSE/E however still within legal PSE/E limits

This type of activity is what we would define as “Suspicious Activity”.

**Suspicious activity** is any activity that might be part of an illegal scheme or is otherwise odd in some way for that customer.

Factors to be considered include:

- Comments made by the customer regarding the transaction
- The customer's behavior while the transaction(s) are being processed (e.g., does the customer appear to be nervous)
- Any other behavior or activity that the CVS colleague reasonably believes to be suspicious

Spotting suspicious activity is not always easy. A transaction that may not be suspicious for one customer may be suspicious for another customer.



The first step in preventing PSE/E fraud is being able to recognize “red flags” which can be a sign of suspicious activity and knowing how to respond. While there is no comprehensive list, some common red flags are listed on the next page.

## Recognizing the “Red Flags” of PSE/E Suspicious Activity

Below are some of the common types of suspicious behaviors that you may encounter in your role as a CVS colleague.

	Customer exhibits unusual concern about policies regarding limits or information collection and verification or about reporting of a PSE/E transaction.
	Customer says things that are contradictory or do not make sense about a PSE/E transaction.
	Customer requests to alter a transaction after being asked to show ID, or customer refuses to proceed with a PSE/E transaction when asked for ID, and/or requests by customers that colleagues enter information manually rather than swipe the ID.
	Customer uses false ID or multiple IDs on different occasions or two or more customers use the same ID. And/or attempts by customers to circumvent MethCheck or other sales limits by utilizing fraudulent identification.
	Customer attempts to purchase multiple products at the maximum allowable amounts.
	The customer is in a hurry, aggressive or demanding, particularly when challenged if they attempt to purchase PSE/E products.
	There appears to be a group of customers arriving together then dividing up to make PSE/E purchases.
	Customer uses two or more cashiers in the same day to purchase PSE/E products. Individuals recognized by the colleague as having already purchased PSE/E that day, even though the identification may be different and the system may allow the transaction.
<b>EXCEPTION?</b>	The customer asks multiple questions and for an explanation on the store policy to limit the PSE/E purchases.
	Customer offers money, gifts, entertainment, or anything else to get you to process a transaction over our limits, and to refrain from checking ID or to make another exception to policies.
	You believe for any reason a customer engages in illegal business around the production of Meth and/or purchasing/ selling of PSE/E products.

## Responding to PSE/E Suspicious Activity

<b>Responding to PSE/E Suspicious Activity</b>	<p>If you encounter activity that you believe is suspicious, tell the customer that you will need a manager to complete the transaction. Then notify your supervisor or member of the management team immediately.</p> <p>Suspicious activity includes not just completed suspicious transactions, but also <b>attempts</b> or <b>requests</b> to do suspicious transactions. Therefore, even if you say "no" to a customer who attempts a transaction that you consider suspicious, you still need to notify a member of the management team.</p> <p>Based on the examples, if you have reason to believe a transaction is suspicious write down details regarding the transaction including:</p> <ul style="list-style-type: none"><li>• Summary of the suspicious activity (behavior that you thought was suspicious, exact time and other details of the purchase or attempted purchase, etc.)</li><li>• Details regarding the customer's appearance (for example, she was a tall white female, shorter/taller than me, heavier/thinner than me, short brown hair, etc.)</li><li>• Information that you obtained from checking ID (if you were able to check ID)</li><li>• Information that you obtained from speaking with the customer</li><li>• Retain transaction details such as type, amount, date and time</li></ul> <p>Provide these details to a member of your management team.</p> <p><b>There are two key things you need to do when you suspect suspicious activity. First, report the matter to EthicsLine by calling 877-CVS-2040 or by accessing Ethics point at <a href="http://www.cvscaremark-ethicsline.ethicspoint.com">www.cvscaremark-ethicsline.ethicspoint.com</a>. Second, if you're comfortable doing so, inform your immediate supervisor of your concerns.</b></p> <p>It is the responsibility and duty of all colleagues to report suspicious or unlawful activity by customers and/or other CVS/pharmacy colleagues.</p>
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## Challenging PSE/E Situations

<p><b>How to Refuse A Sale</b></p>	<p>Occasionally you will have to refuse to sell a restricted product to a customer. How you communicate the refusal will set the tone for how the customer will react. Your tone of voice, body language and choice of words can either diffuse or ignite a confrontation with a customer.</p> <p>Follow these general guidelines:</p> <ul style="list-style-type: none"> <li>• Remain calm</li> <li>• Remove the product from the counter</li> <li>• Be polite, apologize and maintain a customer service attitude</li> <li>• Remember that refusing a sale is not your choice; it is the law</li> </ul> <p>Examples of what we can say when refusing a sale:</p> <ul style="list-style-type: none"> <li>• For out of stock situations - "I'm sorry we currently do not have any PSE/E products in stock"</li> <li>• For system block situations - "I'm sorry, the System will not allow the sale of PSE/E products"</li> <li>• For Suspicious activity – "I'm sorry, I am unable to sell you PSE/E products at this time."</li> </ul> <p>If questioned, respond:</p> <ul style="list-style-type: none"> <li>○ "Due to State and Federal regulations I am required to monitor and restrict the sale of PSE/E products and I am unable to sell you PSE/E at this time"</li> </ul>
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<p><b>Additional Customer Information</b></p>	<p>In the event that a customer is unaware of the legal requirements regarding the sale/purchase of PSE/E products, the following information may be provided to the customer:</p> <ul style="list-style-type: none"> <li>• As of September 30, 2006 the Federal "Combat Methamphetamine Epidemic Act" requires that all customers purchasing products containing PSE/E provide a valid State or Federal Government issued ID. <ul style="list-style-type: none"> <li>○ Provided ID must include name and address of the customer</li> </ul> </li> <li>• The law was enacted to help protect communities from the harm that "Meth" is causing throughout the United States</li> <li>• The law requires that the following information be captured and recorded accurately and thoroughly on the POS register: <ul style="list-style-type: none"> <li>○ Purchaser's name</li> <li>○ Purchaser's address</li> <li>○ Date and time of transaction</li> </ul> </li> </ul> <p>The Federal law limits the daily sale of any product containing PSE/E to <b>3.6 grams per customer</b> (some state and/or local laws are more stringent than the Federal law).</p>
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## MethCheck POS

<p><b>Overview</b></p> 	<p>CVS/pharmacy has implemented an electronic register and recordkeeping program called <b>MethCheck POS</b> that provides real-time authorization of all PSE/E purchases by utilizing a central database that replaces the need to maintain a "paper" PSE/E log system.</p> <ul style="list-style-type: none"> <li>• MethCheck POS systematically keeps track of PSE/E quantities sold to individuals across all CVS/pharmacy locations in a given period of time by transmitting purchases to the MethCheck central database and deducting the sales quantity from the quantity allowed per individual.</li> <li>• The process is similar to credit card authorizations, providing real-time authorization of PSE/E purchases through the POS registers.</li> <li>• The system is intended to notify the colleague as to whether the purchase is allowable under federal and state law. However, CVS/pharmacy colleagues are expected to be aware of the restrictions in the state in which they work and to comply with those restrictions.</li> <li>• CVS/pharmacy colleagues are required to use good judgment and if the colleague has reason to believe that an individual is attempting to illegally purchase beyond the limits, to purchase the product for an illegal purpose or is otherwise exhibiting suspicious behavior, he should contact a member of management or supervisor immediately.</li> <li>• In any transaction where the customer has already reached their daily or 30-day limit when attempting to purchase PSE/E, <ul style="list-style-type: none"> <li>◦ A MethCheck POS system <b>message</b> informs the cashier that the item is not approved because it would exceed a purchase limit and the register will block the sale of the item.</li> <li>◦ The register will also prompt the colleague to <b>remove the PSE/E item</b> from the bagging area.</li> </ul> </li> <li>• Colleagues may not complete a sale of PSE/E if the MethCheck system identifies the sale as being over the daily or monthly limits.</li> <li>• Any concerns or complaints should be referred immediately to the Management Team.</li> <li>• Customers who wish to purchase PSE/E products must produce a valid form of identification. Only the types of identifications discussed at the beginning of the Restricted Products section are legally acceptable to complete a PSE/E purchase, and are the only ID types programmed for acceptance in MethCheck POS. <ul style="list-style-type: none"> <li>◦ <b>NOTE:</b> Work or college IDs are NOT acceptable.</li> </ul> </li> <li>• Colleagues may not complete a sale of PSE/E <ul style="list-style-type: none"> <li>◦ if the identification appears to be invalid.</li> <li>◦ to a person who does not meet the age restrictions for purchase.</li> </ul> </li> <li>• All PSE/E products must be processed through MethCheck POS, using a POS register. <ul style="list-style-type: none"> <li>◦ The information retained in the electronic log is privileged and confidential, for use by our pharmacy and law enforcement officials only.</li> </ul> </li> </ul>
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## MethCheck POS, Continued

<b>Process the PSE/E Transaction</b>	<p>There are five steps in processing a PSE/E sales transaction:</p> <ol style="list-style-type: none"> <li>1. From the <b>Pharmacy register</b>, scan the product.</li> <li>2. Scan/swipe the customer's ID.</li> <li>3. <b>IMPORTANT:</b> If prompted by the register, input additional required customer information <u>accurately and thoroughly</u> from the ID provided.             <ol style="list-style-type: none"> <li>a. Colleagues are required to enter all information from the customer's ID, the register will capture:                     <ol style="list-style-type: none"> <li>i. The date and time of transaction, customer's name and address, the type of ID presented, the government entity issuing the ID, the ID number and the amount of PSE/E sold.</li> <li>b. MethCheck will confirm that the customer is not exceeding daily or monthly sales limits. When prompted, you must have the customer sign the electronic log that the entries are accurate.</li> </ol> </li> <li>4. Complete the register transaction, following the prompts.</li> <li>5. If a customer attempts to make a purchase at a time when the MethCheck system is inaccessible due to technical difficulties, process the transaction as prompted. However, colleagues must still use appropriate judgment and a sale should not be made if you have reason to believe that the sale would exceed the daily or monthly limit for that customer or you have other reason to believe the customer is not purchasing the product for a legitimate purpose. Once the MethCheck system is again available, the information will be input into the MethCheck system.</li> </ol> </li> </ol>
<b>PSE/E Transaction Notes</b>	<ul style="list-style-type: none"> <li>• Colleagues must ensure that IDs do not appear to be defaced or altered. Defaced or altered IDs cannot be accepted. The black light device must be used as part of accepting a customer's ID in those stores who have the device.             <ul style="list-style-type: none"> <li>◦ If a colleague suspects that identification is fake, counterfeit or fraudulent, they must not complete the transaction.</li> <li>◦ The customer should be notified that the identification could not be accepted.</li> <li>◦ Customer complaints should be immediately referred to the Store Manager.</li> </ul> </li> <li>• Once verified, the colleague must enter all information exactly as stated on the ID, including the name, address, etc.</li> <li>• Customers are required to read and acknowledge the electronic logbook sales agreement that is displayed on the Payment Terminal.             <ul style="list-style-type: none"> <li>◦ Drive-thru sales of PSE/E items are <u>not</u> permitted if the customer does not sign and acknowledge the sale.</li> <li>◦ PSE/E transactions must be completed <u>in person</u> within the pharmacy department.</li> </ul> </li> <li>• Customers wishing for a refund for PSE/E items must be directed to the pharmacy during normal pharmacy operating hours.             <ul style="list-style-type: none"> <li>◦ If the pharmacy is closed, the customer should be directed to another store (preferably with a 24-Hour pharmacy) or return to the store during normal pharmacy operating hours.</li> <li>◦ If a PSE/E item is mistakenly refunded at a non-pharmacy register, the item must be held in a secure location until it can be returned to the pharmacy.</li> </ul> </li> </ul>

## MethCheck POS, Continued

Tracking / Data Requests	<p>MethCheck POS electronically maintains the store's PSE/E sales log. The PSE/E log contains privileged information for use by CVS/pharmacy and by law enforcement under certain circumstances.</p> <ul style="list-style-type: none"><li>• Any questions from customers about the collection, storage or use of their personal data should be referred to the Privacy Office (401-770-5713) at CVS/pharmacy Customer Support Center.</li></ul>
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## Additional State and Local Restrictions

 <p><b>NOTE:</b> If you are assigned to the pharmacy, ask the Pharmacist to review any additional restricted products that your store carries.</p>	<ul style="list-style-type: none"><li>• State and local regulations may impact the sale of other products. You should meet with a member of management or Pharmacist to discuss these restrictions.</li><li>• It is important to note that as new products are introduced into the market place and new regulations are enacted, additional products may have sales restrictions.</li><li>• Whenever possible, CVS/pharmacy provides register messaging and blocks to ensure that you adhere to these restrictions. However, you are responsible for knowing the restrictions and complying with them.</li><li>• If you are working in the pharmacy, you need to be aware of products that are retained behind the counter that can be sold without a prescription (e.g., some states allow syringes to be sold without a prescription).</li></ul>
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## Topic #3 – Controlled Substances

### Key Points to Remember

The following are the key points that you must remember regarding Controlled Substances and Diversion:

1. Schedule II controlled substances can only be ordered using a DEA 222 form by a pharmacist who has been granted a valid Power of Attorney.
2. To be valid, a prescription must meet certain technical requirements and also must have been issued for a legitimate medical purpose by a prescriber acting in the usual course of his or her professional practice.
  - A pharmacy staff member who fails to take steps to verify a prescription when there is reason to believe it is not valid and, instead, fills the questionable prescription can be prosecuted criminally and/or lose his or her professional license in addition to being subject to disciplinary action by CVS/pharmacy up to and including termination.
3. A prescription for a Schedule II controlled substance cannot be refilled.
4. CVS does not currently accept electronic prescriptions for controlled substances.
5. All incidents must be reported. First, report the matter to the **EthicsLine by calling 877-CVS-2040** or online at [www.cvscaremark-ethicsline.ethicpoint.com](http://www.cvscaremark-ethicsline.ethicpoint.com). Second, if you're comfortable doing so, inform your immediate supervisor of your concerns.

#### Overview



This section provides a thorough review of key aspects of handling controlled substances, including the following topics:

- Regulations, your role in ensuring compliance and the consequences of non-compliance
- Ordering and Receiving requirements for Schedule II controlled substances
- Dispensing Requirements
- Verifying the identity of the recipient of controlled substances
- Handling controlled substance refills
- Recordkeeping Requirements
- Reporting thefts or losses
- Diversion Trends
- Recognizing altered, forged or fraudulent prescriptions

## Regulations and Compliance

Federal Regulations	<p>The federal Controlled Substances Act and regulations implemented by the Drug Enforcement Administration ("DEA") establish important laws and regulations governing the purchase, receipt, storage and dispensing of controlled substances.</p> <p>They also impose requirements for the retention of certain pharmacy records and the reporting of thefts and losses of controlled substances.</p>
State Regulations	<p>In addition to the federal regulations, all states, through independent state controlled substance laws and state agency regulations (e.g. Board of Pharmacy or a designated state controlled substance agency) regulate the purchase, receipt and dispensing of controlled substances and impose important recordkeeping requirements.</p> <p>In many instances, the state laws mirror the federal requirements; however, there are instances where the state requirements differ, and in some cases state and/or local laws are more stringent than the federal laws.</p> <p>Pharmacies are subject to both jurisdictions and must follow the more stringent requirements.</p>
Your Role in Ensuring Compliance	<p>CVS takes its compliance responsibilities seriously. As a CVS colleague, you play a critical role in ensuring that we are consistently compliant with applicable laws and regulations. You must be thoroughly familiar both with the federal laws and regulations relating to controlled substances and with the relevant state laws of each state in which you work or are licensed to practice pharmacy.</p> <p>Colleagues must comply with these laws and regulations at all times, and you must report any instances of non-compliance by you or by others.</p> <ul style="list-style-type: none"> <li>First, report the matter to the <b>EthicsLine</b> by calling 877-CVS-2040 or online at <a href="http://www.cvscaremark-ethicsline.ethicspoint.com">www.cvscaremark-ethicsline.ethicspoint.com</a>. Second, if you're comfortable doing so, inform your immediate supervisor of your concerns.</li> </ul> <p>In addition,</p> <ul style="list-style-type: none"> <li>Colleagues are encouraged to cooperate with the DEA, State Boards of Pharmacy and other legal and regulatory agencies.</li> <li>Visits by regulatory agencies and/or requests for information or assistance should be immediately reported to a Pharmacy Supervisor, District Manager, or other member of Field Management immediately; these issues are time sensitive.</li> </ul>

## Regulations and Compliance

<b>Penalties for Violations</b>	<p><b>Consequences:</b></p> <ul style="list-style-type: none"> <li>Failure to follow federal or state laws and regulations can result in serious consequences for the company, including criminal penalties, civil monetary fines, and other administrative sanctions, up to the suspension or revocation of the pharmacy's DEA registration or pharmacy license</li> <li>Failure to comply with laws and regulations and with company policies relating to controlled substances can result in criminal, civil or administrative sanctions including the suspension or revocation of a Pharmacist's license. It can also result in disciplinary action, up to and including termination, for the colleague.</li> <li>Failure to timely report a potential violation of law or company policy relating to controlled substances can result in disciplinary action, up to and including termination.</li> </ul>
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## Ordering and Receiving Requirements for Schedule II Controlled Substances

<b>Ordering Schedule II Controlled Substances</b>	<p>Schedule II controlled substances (CII) are ordered with an official DEA order form (DEA 222 form), as follows:</p> <table border="1" data-bbox="359 1045 1462 1510"> <thead> <tr> <th data-bbox="359 1045 448 1087">Step</th><th data-bbox="448 1045 1462 1087">Action</th></tr> </thead> <tbody> <tr> <td data-bbox="359 1087 448 1277">1</td><td data-bbox="448 1087 1462 1277"> <p>The DEA 222 form must be signed and dated by a person who has been granted a Power of Attorney to Sign an Official Order Form by CVS Corporate.</p> <p><b>IMPORTANT:</b> Only pharmacists that have been granted a valid Power of Attorney can execute a DEA 222. <b>Under no circumstance should a pharmacist who does not have a valid Power of Attorney execute or submit a DEA 222.</b></p> </td></tr> <tr> <td data-bbox="359 1277 448 1510">2</td><td data-bbox="448 1277 1462 1510"> <p>Copies of the DEA 222 form must be distributed as follows:</p> <ul style="list-style-type: none"> <li>Copy 1 and Copy 2 of the 222 form are submitted to the supplier.</li> <li>Copy 3 is retained in the <b>pharmacy's files for a period of two years</b> (unless a longer retention is required under state law).</li> </ul> <p><b>It is imperative that these forms be submitted and filed properly.</b></p> </td></tr> </tbody> </table> <p><b>NOTE:</b> Many states require transactions that involve substances that are classified as a Schedule II drug on a state schedule, but not on the federal schedule, be recorded on a DEA 222 form.</p>	Step	Action	1	<p>The DEA 222 form must be signed and dated by a person who has been granted a Power of Attorney to Sign an Official Order Form by CVS Corporate.</p> <p><b>IMPORTANT:</b> Only pharmacists that have been granted a valid Power of Attorney can execute a DEA 222. <b>Under no circumstance should a pharmacist who does not have a valid Power of Attorney execute or submit a DEA 222.</b></p>	2	<p>Copies of the DEA 222 form must be distributed as follows:</p> <ul style="list-style-type: none"> <li>Copy 1 and Copy 2 of the 222 form are submitted to the supplier.</li> <li>Copy 3 is retained in the <b>pharmacy's files for a period of two years</b> (unless a longer retention is required under state law).</li> </ul> <p><b>It is imperative that these forms be submitted and filed properly.</b></p>
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## Ordering and Receiving Requirements for Schedule II Controlled Substances, Continued

<b>Checking In CII Orders</b>	<p>At CVS, a Pharmacist must check in all CII orders. The Pharmacist will perform this activity using the steps below:</p>	
	<b>Step</b>	<b>Action</b>
	1	<p><b>Check the tote/tray</b> containing CII drugs and if it appears that it may have been tampered with (i.e. the tote/tray appears damaged or is not sealed):</p> <ol style="list-style-type: none"> <li>The shipment <u>must</u> be refused.</li> <li>The pharmacist checking in the controlled substances <u>must</u> notify the driver that the shipment is being refused.</li> <li>The pharmacist <u>must</u> notify Distribution Services at extension 5555, the Pharmacy Supervisor and Loss Prevention.</li> </ol>
	2	<p><b>Reconcile the contents</b> of the totes/trays delivered to the order invoice in the presence of the driver. If there is a discrepancy:</p> <ol style="list-style-type: none"> <li>The pharmacist <u>must</u> refuse the order.</li> <li>The pharmacist must notify the driver that the shipment is being refused</li> <li>The pharmacist <u>must</u> also report the discrepancy to Distribution Services at extension 5555, the Pharmacy Supervisor and Loss Prevention.</li> </ol>
	3	<p>If there is no discrepancy, the pharmacist <b>signs-off</b> on the driver's delivery log.</p>
	4	<p>The pharmacist responsible for checking-in the drugs must <b>record</b> the following information on the pharmacy's copy of the DEA 222 form:</p> <ul style="list-style-type: none"> <li>number of containers (bottles) received</li> <li>date the medication was received</li> </ul> <p><b>NOTE:</b> "Ditto marks" [“] are not valid, so the quantity of drug and the date received must be completed for <u>each</u> medication that is listed on the DEA 222 form.</p>
	5	<p>The packaging slip or order invoice must be <b>stapled</b> to the back of the DEA 222 form and filed with the pharmacy's controlled substance records.</p>
	6	<p>The pharmacist on duty must also <b>complete and sign</b> the CII Inventory Form, which must include the following information:</p> <ul style="list-style-type: none"> <li>Full name of the medication received</li> <li>Full name of the drug manufacturer (use separate cards if the pharmacy uses more than one brand name of the same drug)</li> <li>The NDC number of the drug received</li> <li>Package size received</li> </ul>
	7	<p>The pharmacist must also <b>establish the perpetual inventory</b> for the drugs received as follows:</p> <ol style="list-style-type: none"> <li>Complete the date inventory was taken</li> <li>Write "Beginning Inventory" on the card</li> <li>Leave the disbursement column blank</li> <li>Record the balance of amount on hand at the pharmacy</li> <li>Write the initials of the pharmacist conducting the inventory</li> </ol>

**NOTE: Returning CII's to the Supplier**

A DEA 222 form is also required when returning a Schedule II controlled substance to the supplier. For returns, the pharmacy becomes the supplier and must forward Copy 2 (green copy) to the local DEA office and keep Copy 1 (brown copy) in the pharmacy's controlled substance files.

## Dispensing Requirements

<b>The Pharmacist's Responsibility</b>	<p>Although doctors and other medical practitioners are primarily responsible for the proper prescribing of controlled substances to their patients, pharmacists have a "corresponding responsibility" under federal law to make sure that any prescription that is filled is <u>valid</u>. CVS Pharmacist must dispense controlled substances only pursuant to valid prescriptions that comply with federal and state laws.</p>
<b>Define a "Valid" prescription</b>	<p>A prescription is considered <b>valid</b> as long as the following requirements have been met:</p> <ol style="list-style-type: none"> <li>1. The prescription <b>must</b> have been issued for a <i>legitimate medical purpose</i> by a prescriber acting in <i>the usual course of his or her professional practice</i>.             <ul style="list-style-type: none"> <li>• If you have a question about any aspect of the prescription order, you must contact the prescriber for clarification and verification before filling the prescription.</li> <li>• Pharmacists should document these inquiries.</li> <li>• Even if the prescriber indicates that the prescription should be filled as written, the pharmacist must use his or her professional judgment to determine whether the prescription was issued for a legitimate medical purpose and in the normal course of professional practice.</li> </ul> </li> <li>2. A valid prescription <b>must</b> contain all required information, including:             <ul style="list-style-type: none"> <li>• patient's full name and address</li> <li>• prescriber's full name, address and DEA registration number</li> <li>• drug name, strength, dosage form and quantity</li> <li>• directions for use</li> <li>• number of authorized refills, if any</li> <li>• signature of the prescriber and the date issued</li> </ul> </li> </ol> <p><b>NOTE:</b> There is information regarding <u>Altered, Forged or Fraudulent Prescriptions</u> in the Diversion and Diversion Trends section of this training.</p>
<b>Schedule II Prescription Requirements</b>	<p>The following standards apply when accepting Schedule II (CII) prescriptions:</p> <ul style="list-style-type: none"> <li>• Prescriptions for Schedule II controlled substances must be in <b>writing, signed by the prescriber</b>.</li> <li>• A CII prescription may <b>not</b> be dispensed until the pharmacy receives the <b>original prescription</b> (even if the pharmacy received a faxed copy in advance).</li> <li>• In an emergency, a CII prescription may be phoned into the pharmacy, but the amount dispensed must be limited to the <b>amount necessary</b> to treat the patient during the emergency period and the prescriber must follow up with a written prescription within seven (7) days.</li> </ul> <p><b>IMPORTANT:</b> CVS pharmacies do not accept electronic prescriptions for any controlled substances at this time.</p>

## Dispensing Requirements, Continued

<b>Schedule III-V Prescription Requirements</b>	<p>The following standards apply when accepting Schedule III – V (CIII – V) prescriptions:</p> <ul style="list-style-type: none"> <li>• Prescriptions for Schedule III through V (CIII-V) drugs <b>may be written or faxed</b>.</li> <li>• They also <b>may be taken verbally</b>, provided that they are promptly recorded in writing by the Pharmacist.</li> <li>• These verbal prescription records are maintained with other prescriptions.</li> </ul> <p><b>IMPORTANT:</b> CVS pharmacies do not accept electronic prescriptions for any controlled substances at this time.</p>
<b>Prescription Monitoring Programs</b>	<p>A growing majority of states have implemented prescription monitoring programs (PMPs) that require pharmacies to report prescriptions for controlled substances and other drugs.</p> <ul style="list-style-type: none"> <li>• The structure and requirements for each state vary and some states provide access to pharmacists and practitioners to review a patient's profile or a doctor's prescribing patterns.</li> </ul> <p><b>IMPORTANT:</b> Pharmacists should exercise professional judgment with regard to the use of these databases in dispensing prescriptions, and should consult the databases, if available, in situations where you believe it is appropriate to do so to <u>validate a prescription</u>.</p>
<b>Penalties for Violations</b>	<p><b>Consequence:</b></p> <ul style="list-style-type: none"> <li>• It is illegal to knowingly dispense a controlled substance pursuant to an invalid prescription. <ul style="list-style-type: none"> <li>◦ This includes a prescription that is not issued for a legitimate medical purpose by a practitioner acting in the usual course of professional practice, a prescription that does not meet the technical requirements (signature, date, DEA number, etc.), or a prescription that violates limitations on oral, facsimile, or electronic prescribing.</li> </ul> </li> <li>• A pharmacy staff member who fails to take steps to verify a prescription when there is reason to believe it is not valid and, instead, fills the questionable prescription can be prosecuted criminally and/or lose his or her professional license in addition to being subject to disciplinary action by CVS/pharmacy up to and including termination.</li> </ul>

## Verifying the Identity of the Recipient of Controlled Substances

State Specific Identification Requirements	<p>Under federal law, a prescription must only be dispensed to an "ultimate user." Therefore, pharmacy staff must be satisfied that the medication dispensed will end up in the hands of the person to whom it was prescribed and that it will <u>not be diverted</u>. To do so, you should verify the identity of the person picking up the prescription.</p> <p>The following states have specific requirements. Review the requirements that apply to your location.</p>	
	States	Identification Requirements
	CT, LA, MN, SC, and TX	Pharmacy staff members are required to verify the identity of the person picking up a controlled substance prescription by checking photo identification.
	ID and NV	Photo identification is required unless insurance is paying for the prescription. In both states, the pharmacy staff must also make a copy of the identification card or otherwise record the identification number.
	FL, HI, IN, OK, and VA	<p>Valid proof of identification is required, though not necessarily photo identification.</p> <p>In HI, the identification number must be recorded.</p> <p>In VA, pharmacy staff must make a copy of the identification.</p>
	MI	Valid identification is also required in MI; however, if the customer does not have identification available, the medication may be dispensed if the pharmacist determines, using his or her professional judgment, that delay in obtaining the identification may be detrimental to the patient.
	DE	If the prescription is written by an out-of-state doctor, pharmacy staff must record the identification number of both the person delivering the prescription and the person receiving it (if different). The identification number(s) must be recorded as part of the prescription record.

## Controlled Substance Refills

No Refills for CII Drugs	Schedule II prescriptions may not be refilled.
Multiple Prescriptions for CII Drugs	<p>In some cases, DEA regulations allow practitioners to write multiple prescriptions for Schedule II drugs (e.g. methylphenidate) to be dispensed over a number of months. To be valid, such multiple prescriptions must meet the following requirements, among others:</p> <ul style="list-style-type: none"> <li>• Each prescription must be issued on a separate prescription blank.</li> <li>• Each separate prescription must be issued for a legitimate medical purpose by an individual practitioner acting in the usual course of professional practice.</li> <li>• The practitioner must provide written instructions on each prescription indicating the earliest date the pharmacy may fill the prescription.</li> <li>• The issuance of multiple prescriptions must be permissible under applicable state law. Many states limit the prescribing of Schedule II drugs to a 30-day supply.</li> </ul>
Handling CIII – V Refills	<p><b>Schedule III and IV</b> prescriptions may be refilled if authorized on the prescription. However, the prescription may only be refilled <u>five times within six months after the original date of issue</u>. After five refills or six months, whichever comes first, a new prescription is required.</p> <p><b>Schedule V</b> prescriptions may only be refilled as authorized on the prescription by the prescriber.</p> <p><b>Early Refills</b></p> <ul style="list-style-type: none"> <li>• Although early refills are not strictly prohibited under federal or state law, pharmacy staff <u>should not refill controlled substances prescriptions early</u> unless they can document a legitimate reason for doing so.</li> <li>• It is not uncommon for drug seekers or criminals to refill a prescription early as a means to obtain additional amounts of the controlled substances.</li> <li>• CVS pharmacy staff must be vigilant and exercise sound judgment in each individual case to determine that refilling a prescription early is appropriate and is not a means of facilitating diversion.</li> <li>• Staff should be particularly mindful of customers who have a pattern of requesting early refills.</li> </ul>

## Recordkeeping Requirements

<b>Controlled Substance Record Retention</b>	<p>Federal and state laws impose strict recordkeeping requirements on pharmacies for the creation and maintenance of records relating to ordering, receipt, dispensing and disposal of controlled substances. Every pharmacy must maintain complete and accurate records that comply with all applicable laws and regulations governing the content, manner and period of retention for controlled substance records, as described below:</p>												
	<b>Source</b>	<b>Time</b>	<b>Specifics</b>										
	<b>Federal</b>	<b>2 years</b>	<p>Federal law requires that a pharmacy keep the following controlled substance records <b>on site in the pharmacy</b> for 2 years:</p> <ul style="list-style-type: none"> <li>• The pharmacy's DEA registration certificate</li> <li>• DEA-222 order forms for Schedule II drugs</li> <li>• Power of Attorney forms granting authority to order CII drugs</li> <li>• Invoices/receipts for Schedule III-V drugs</li> <li>• All inventory records, including initial and biennial inventories</li> <li>• Original controlled substance prescriptions</li> <li>• Distribution records reflecting returns to vendors or delivery to reverse distributors</li> <li>• Initial loss notifications and DEA-106 forms reporting thefts or significant losses of controlled substances</li> <li>• DEA-41 forms for drugs surrendered for disposal</li> <li>• Records of transfers between pharmacies</li> </ul> <p>Federal law also requires that <b>Schedule II</b> records be kept separate from other records. Pharmacies may combine <b>Schedule III – V</b> controlled substances with other non-controlled prescription records, provided that the pharmacy can readily identify and retrieve these records electronically.</p>										
	<b>State</b>	<b>Varies by State (see chart)</b>	<p>Under various states laws the pharmacy may be required to keep the records for a longer period of time. It is the responsibility of all pharmacy staff, and particularly the Pharmacist in Charge, to be aware of the applicable state recordkeeping requirements.</p> <p>Review the controlled substance record retention requirements that apply to your location.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 5px;">States</th><th style="text-align: left; padding: 5px;">Retention Requirements</th></tr> </thead> <tbody> <tr> <td style="padding: 5px;">AZ, CA, CT, NM, OH, OR, and VT</td><td style="padding: 5px;">3 years</td></tr> <tr> <td style="padding: 5px;">ID</td><td style="padding: 5px;">3 years - Inventory records only</td></tr> <tr> <td style="padding: 5px;">NH</td><td style="padding: 5px;">4 years</td></tr> <tr> <td style="padding: 5px;">DC, HI, KS, KY, ME (CII perpetual inventory only), NE, NY, UT, WV and WI</td><td style="padding: 5px;">5 years</td></tr> </tbody> </table> <p><b>NOTE:</b> Some states impose even longer retention period requirements for PRESCRIPTION records than for other controlled substance records. These states include: AL, AZ, DE, NC, IL, MD, MI, MS, MO, NJ, ND, OK and SD. You should be familiar with the specific prescription record retention period in your state. .</p> <p><b>CVS policy requires that all hard copy prescription records (for controlled substances and non-controlled substances) be kept at each Pharmacy for 7 years.</b></p>	States	Retention Requirements	AZ, CA, CT, NM, OH, OR, and VT	3 years	ID	3 years - Inventory records only	NH	4 years	DC, HI, KS, KY, ME (CII perpetual inventory only), NE, NY, UT, WV and WI	5 years
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## Recordkeeping Requirements, Continued

Controlled Substance Record Retention, continued	Source	Time	Specifics
	Govt. Programs	Up to 10 years	Under several government programs, including Medicare and Medicaid, pharmacy records (including prescriptions) must be available for inspection for up to ten years. The records do not have to be maintained on the pharmacy premises for the entire 10 year period. However, the controlled substance records <u>must</u> be maintained on site for the two years required by the DEA and for any longer period required by state pharmacy regulations and all prescription records must be maintained on-site for 7 years.

## Reporting Thefts or Losses of Controlled Substances

Colleague Responsibility	<p>Reporting thefts or significant losses of controlled substances is a critical responsibility of every colleague because CVS is required under federal and state law to report those events to the DEA and to state drug enforcement agencies <b>immediately upon discovery</b>.</p> <p>CVS wants to ensure the security of controlled substances and prevent the possible diversion of prescription drugs to addicts or criminals. We also must prevent diversion of drugs by CVS colleagues.</p> <p>You must immediately report an incident. First, report the matter to the <b>EthicsLine</b> by <b>calling 877-CVS-2040</b> or online at <a href="http://www.cvscaremark-ethicsline.ethicspoint.com">www.cvscaremark-ethicsline.ethicspoint.com</a>. Second, if you're comfortable doing so, inform your immediate supervisor of your concerns.</p> <p>Incidents to be reported:</p> <ul style="list-style-type: none"> <li>• You suspect that there may have been a theft of controlled substances.</li> <li>• You suspect unauthorized access to or any breach of security regarding controlled substances.</li> <li>• You believe that there has been a suspicious loss of controlled substances including a loss of a significant amount of a controlled substance, or a pattern of losses or any other suspicious circumstances regarding the loss of controlled substances.</li> </ul>
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## Reporting Thefts or Losses of Controlled Substances, Continued

<p><b>The Reporting Process</b></p>	<p>Federal regulations require that thefts and significant losses of controlled substances be reported to the DEA. DEA must receive initial notification of the theft or loss of controlled substances within one business day of the incident or discovery of the loss. <b>Therefore, it is important that you immediately report any suspected theft or loss of a controlled substance.</b></p> <p>Some state agencies also have specific requirements for the reporting of thefts or losses of controlled substances.</p> <ul style="list-style-type: none"> <li>• In some cases, the state agency may have different time requirements for the filing of theft/loss notifications or reports and may require that events other than theft or "significant loss" be reported.</li> <li>• The following states have their own theft/loss reporting requirements, and it is the responsibility of any colleague working in those states to be aware of the specific state requirements:</li> </ul> <p style="text-align: center;"><b>AL, AK, AZ, AR, CA, CO, CT, DE, GA, HI, ID, IL, IN, IA, KY, LA, ME, MD, MA, MI, MN, MS, MO, MT, NV, NH, NJ, NM, NY, NC, ND, OH, OK, OR, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY</b></p> <p>All colleagues handling controlled substances should be thoroughly familiar with CVS policies and procedures on reporting of thefts/losses of controlled substances.</p> <p>Your critical role is as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 5px;"><b>If . . .</b></th><th style="text-align: left; padding: 5px;"><b>Then . . .</b></th></tr> </thead> <tbody> <tr> <td style="padding: 10px; vertical-align: top;"> <p>Theft or loss involves a controlled substance</p> </td><td style="padding: 10px; vertical-align: top;"> <ul style="list-style-type: none"> <li>• The colleague discovering the theft or loss of a controlled substance must first report the matter to the <b>EthicsLine by calling 877-CVS-2040</b> or online at <a href="http://www.cvscaremark-ethicsline.ethicspoint.com">www.cvscaremark-ethicsline.ethicspoint.com</a>. Second, if you're comfortable doing so, inform your immediate supervisor (e.g. pharmacist on duty) of your concerns.</li> <li>• The pharmacist on duty must submit an Initial Notification of Theft/Suspected Loss Form to the DEA <b>within one business day</b> of the theft or discovery of the loss and comply with the applicable state reporting requirements.</li> <li>• The pharmacist must also notify his or her Pharmacy Supervisor <b>within 24 hours</b> of any theft or loss involving controlled substances.</li> </ul> </td></tr> </tbody> </table>	<b>If . . .</b>	<b>Then . . .</b>	<p>Theft or loss involves a controlled substance</p>	<ul style="list-style-type: none"> <li>• The colleague discovering the theft or loss of a controlled substance must first report the matter to the <b>EthicsLine by calling 877-CVS-2040</b> or online at <a href="http://www.cvscaremark-ethicsline.ethicspoint.com">www.cvscaremark-ethicsline.ethicspoint.com</a>. Second, if you're comfortable doing so, inform your immediate supervisor (e.g. pharmacist on duty) of your concerns.</li> <li>• The pharmacist on duty must submit an Initial Notification of Theft/Suspected Loss Form to the DEA <b>within one business day</b> of the theft or discovery of the loss and comply with the applicable state reporting requirements.</li> <li>• The pharmacist must also notify his or her Pharmacy Supervisor <b>within 24 hours</b> of any theft or loss involving controlled substances.</li> </ul>
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## Reporting Thefts or Losses of Controlled Substances, Continued

<b>Pharmacy Supervisor Responsibility</b>	<p>Once reported to the Pharmacy Supervisor, the Pharmacy Supervisor:</p> <ul style="list-style-type: none"><li>• will coordinate with Loss Prevention to initiate an investigation of the incident. If it is a theft, it must also be reported to local law enforcement.</li><li>• must file the DEA-106 to report the results of the investigation to the DEA.</li><li>• must also ensure that all state requirements have been satisfied.</li><li>• must send a copy of the DEA -106s to the pharmacy to be maintained by the pharmacy for two years. A copy also must be sent to the CVS Regulatory Compliance Office.</li></ul>
	<p><b>Pharmacy Supervisor Notes</b></p> <p>As the Pharmacy Supervisor, you are responsible for filing the DEA 106 form to report the results of the investigation to the DEA. Here are some guidelines for reporting, including reporting significant losses.</p> <p><b>What must be reported?</b></p> <ul style="list-style-type: none"><li>• All thefts, regardless of the quantity involved, must be reported.</li><li>• If the pharmacy is the victim of an colleague theft, armed robbery, burglary, "snatch and grab" or other similar incident where controlled substances or listed chemicals are taken, you must report that immediately.</li></ul> <p>"Significant" losses of controlled substances must also be reported. The DEA has not defined "significant," so you must use your best judgment in determining whether a loss meets this standard. Whether a "significant" loss has occurred depends, in part, on the business of the particular pharmacy and the likelihood of a rational explanation for the event.</p> <p>When evaluating a loss, you should consider the following:</p> <ul style="list-style-type: none"><li>• How much of the drug has been lost in relation to the overall volume of the drug dispensed by that pharmacy?</li><li>• Have there been other similar losses of that drug, or a pattern of losses over time? The loss of even a relatively small quantity of a drug may be "significant" if there have been multiple losses.</li><li>• Does the drug have high potential for diversion? Losses of drugs that are likely to be abused or diverted to criminals (e.g., hydrocodone, oxycodone, PSE) should be more suspect, even if the quantities are small.</li><li>• Do the circumstances of the loss suggest possible diversion, particularly by an colleague?</li><li>• Is there a local trend of theft or loss of the particular drug in the area, either at other CVS pharmacies or other retail chains?</li></ul> <p>Any "unusual" or "extraordinary" loss of listed chemicals also must be reported to DEA. You must use your best judgment in determining whether such a loss has occurred.</p>

## Reporting Thefts or Losses of Controlled Substances, Continued

<b>In-Transit Losses</b>	<p>“In-transit” losses are those losses that occur while controlled substances or listed chemicals are <b>in route from one facility to another</b> (e.g., from a wholesaler to a distribution center, or from a distribution center to a retail store).</p> <ul style="list-style-type: none"> <li>• Pharmacists and pharmacy staff must notify their supervisors immediately of any shortages in shipments of controlled substances received in the pharmacy.</li> <li>• The supplier, whether a CVS Distribution Center or outside vendor, must also be notified immediately of any such shortages. <ul style="list-style-type: none"> <li>○ Any loss or discrepancy in a controlled substance shipment to a store that is discovered <b>prior to the driver leaving</b> should be reported to the DEA by the DC.</li> <li>○ Any loss or discrepancy in a controlled substance shipment to a store that is discovered <b>after it has been signed for</b> must be reported to the DEA by the store <b>Pharmacist</b>.</li> </ul> </li> <li>• It is the responsibility of the supplier to investigate and report in-transit losses of controlled substances. Therefore, pharmacies must identify potential shortages at the time of receipt of the shipment to ensure appropriate reporting.</li> </ul>
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<b>Penalties for Violations</b>	<p><b>Consequences:</b></p> <ul style="list-style-type: none"> <li>• Failure to report thefts or losses in a timely manner can result in serious consequences for the company, including monetary penalties and other sanctions.</li> <li>• Failure by a colleague to immediately report a potential theft or loss of a controlled substance or a security breach regarding controlled substances can result in disciplinary action, up to and including termination.</li> <li>• We will promptly investigate any incident involving the theft or loss of controlled substances or listed chemicals.</li> <li>• Any colleague involved in stealing or diverting controlled substances, listed chemicals or other drugs will be terminated. Information about the incident also will be turned over to law enforcement and state authorities, including state Boards of Pharmacy.</li> </ul>
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## Diversion and Diversion Trends

<b>Overview</b> 	<p>Drug diversion is when an individual takes a drug out of the pharmacy without a doctor's prescription and/or paying for it. Typically, the individual takes the drugs for personal use or for sale to others. <b>Drug diversion is a crime.</b></p> <ul style="list-style-type: none"> <li>One example of this would be a colleague stealing drugs from the pharmacy by concealing these drugs (e.g. placing drugs in smock pockets or inside clothing).</li> <li>Other examples of drug diversion are when a colleague self-medicates or ingests drugs from the pharmacy without a prescription or when a colleague forges or alters a prescription or gives medication to a friend/family member without a valid prescription.</li> </ul> <p>Drug diversion also applies to products that contain pseudoephedrine/ephedrine (PSE/E).</p> <p>At CVS/pharmacy we must live our core values at all times. Drug diversion is against our value of <b>integrity</b> and will not be tolerated at CVS.</p> <ul style="list-style-type: none"> <li>Stealing drugs is a crime. If you steal drugs you will be terminated from employment and may also be arrested and prosecuted. If you have a professional license you may lose it.</li> <li>All drugs at CVS must be accounted for through prescriptions and proofs of purchase.</li> <li>Any colleague who diverts PSE/E or fails to comply with CVS policy by merchandising PSE/E product in a location other than behind the pharmacy counter and/or processing a PSE/E transaction from a Front Store register, regardless of the reason (pharmacy closed, or checkout lines are long), will be subject to disciplinary action up to and including termination</li> </ul>
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<b>Key Terms and Definitions</b>	<p>The table below provides key terms and definitions associated with drug diversion that you should be familiar with.</p> <table border="1"> <thead> <tr> <th data-bbox="376 1036 556 1068">Term</th><th data-bbox="556 1036 1428 1068">Definition</th></tr> </thead> <tbody> <tr> <td data-bbox="376 1068 556 1121"><b>Baseline Practices</b></td><td data-bbox="556 1068 1428 1121">These are our policies and procedures for preventing shrink.</td></tr> <tr> <td data-bbox="376 1121 556 1431"><b>Drug Diversion</b></td><td data-bbox="556 1121 1428 1431"> <p>The removal of drugs from the pharmacy for illicit use. Examples include:</p> <ul style="list-style-type: none"> <li>A colleague removing drugs from the pharmacy by concealing them without paying</li> <li>A colleague self-medication, or ingesting drugs from the pharmacy without a proper prescription</li> <li>A colleague giving medication to a friend or family member without accepting payment.</li> <li>A colleague forging or altering a prescription to obtain prescription medication, or filling a prescription the colleague knows is false or fraudulent</li> </ul> </td></tr> <tr> <td data-bbox="376 1431 556 1505"><b>Awareness</b></td><td data-bbox="556 1431 1428 1505">Is the state or ability to perceive, to be conscious of events to imply a better understanding.</td></tr> <tr> <td data-bbox="376 1505 556 1590"><b>VIPER</b></td><td data-bbox="556 1505 1428 1590">Visual, Improvements, Profit, Execution, and Results. It is an exception based software system that allows CVS Corporation oversight of all POS and RX transactions.</td></tr> <tr> <td data-bbox="376 1590 556 1674"><b>PDMR</b></td><td data-bbox="556 1590 1428 1674">Prescription Drug Monitoring Report – A report that the Regional Loss Prevention Manager uses to help identify purchase to sales variance on high theft drugs.</td></tr> <tr> <td data-bbox="376 1674 556 1782"><b>Esteem</b></td><td data-bbox="556 1674 1428 1782">Esteem is a retail theft database used by major retailers to track and report incidents of colleague theft and shoplifting to be used for employment screening purposes. All colleagues who are terminated for theft are entered into the Esteem database and will remain in the system for 7 years.</td></tr> </tbody> </table>	Term	Definition	<b>Baseline Practices</b>	These are our policies and procedures for preventing shrink.	<b>Drug Diversion</b>	<p>The removal of drugs from the pharmacy for illicit use. Examples include:</p> <ul style="list-style-type: none"> <li>A colleague removing drugs from the pharmacy by concealing them without paying</li> <li>A colleague self-medication, or ingesting drugs from the pharmacy without a proper prescription</li> <li>A colleague giving medication to a friend or family member without accepting payment.</li> <li>A colleague forging or altering a prescription to obtain prescription medication, or filling a prescription the colleague knows is false or fraudulent</li> </ul>	<b>Awareness</b>	Is the state or ability to perceive, to be conscious of events to imply a better understanding.	<b>VIPER</b>	Visual, Improvements, Profit, Execution, and Results. It is an exception based software system that allows CVS Corporation oversight of all POS and RX transactions.	<b>PDMR</b>	Prescription Drug Monitoring Report – A report that the Regional Loss Prevention Manager uses to help identify purchase to sales variance on high theft drugs.	<b>Esteem</b>	Esteem is a retail theft database used by major retailers to track and report incidents of colleague theft and shoplifting to be used for employment screening purposes. All colleagues who are terminated for theft are entered into the Esteem database and will remain in the system for 7 years.
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## Diversion and Diversion Trends, continued

Signs of Diversion	<p>There are many signs of colleague diversion that you should be aware of. Some of the most common are:</p> <ul style="list-style-type: none"> <li>• Large balance on hand variances</li> <li>• Warehouse orders aren't keeping up with dispensing</li> <li>• Missing waiting bin scripts</li> <li>• Significant changes in colleague behavior</li> <li>• Inaccurate CII inventories</li> <li>• Colleague attempts to keep pocketbook, backpack, or other large bag in pharmacy</li> <li>• Colleague rings fills / rings up own sale</li> <li>• Colleague scripts appearing in waiting bin report</li> </ul>
Diversion Prevention- Access to the Pharmacy Department	<p>There are many ways to prevent drug diversion. Some diversion prevention methods are:</p> <ul style="list-style-type: none"> <li>• Access points (doors, gates etc.) to the pharmacy are kept closed at all times when not in active use.</li> <li>• Only pharmacy support staff, and designated others as approved by Pharmacist on duty are allowed access to the pharmacy.</li> <li>• The pharmacy department is never left unsupervised during business hours.</li> <li>• The physical security of the pharmacy department and inventory is the responsibility of the Pharmacist on duty.</li> <li>• Unauthorized visitors and non-essential activities must not take place in the pharmacy, as this exposes the Pharmacy Department to potential loss and risk.</li> <li>• This responsibility includes strict adherence to the following: Limiting access to the pharmacy by: <ul style="list-style-type: none"> <li>◦ Not allowing the pharmacy to be used as a walkway to the back room or allowing the sink to be used as a convenience.</li> <li>◦ Not allowing sales representatives, friends, etc., in the pharmacy at any time (including register area).</li> <li>◦ Not allowing non-scheduled support staff in the pharmacy.</li> <li>◦ The Pharmacist may deny permission if the timing is not appropriate. (A state pharmacy inspection or a physical inventory is in progress.)</li> </ul> </li> </ul>
Diversion Prevention- Outside Vendors/ Delivery Personnel	<p>Outside vendors and or delivery personnel should have restricted access to the pharmacy in addition:</p> <ul style="list-style-type: none"> <li>• Activities should be limited to the pick-up and delivery of orders.</li> <li>• Delivery Personnel must be supervised at all times by the Pharmacist or someone designated by the Pharmacist.</li> </ul>
Diversion Prevention- Front Store Colleagues	<p>Front Store Colleague's access to the pharmacy should be restricted, in addition:</p> <ul style="list-style-type: none"> <li>• If pharmacy access is needed, the Pharmacist, or someone designated by the Pharmacist, should supervise the activity of that individual.</li> </ul>

## Diversion and Diversion Trends, continued

Diversion Prevention- Pharmacy Colleagues	<p>CVS/pharmacy prohibits bags and personal belongings in the pharmacy and requires storing them in the secured lockers.</p> <p>Storing bags and personal belongings in secured lockers may also protect colleagues from theft of personal items (i.e. identity theft, wallets, etc).</p> <ul style="list-style-type: none"> <li>• <b>Absolutely no bags, purses, jackets/coats or merchandise may be brought into the pharmacy</b></li> <li>• Any bags of merchandise from other stores must be retained in the Manager's office until the end of your work shift.</li> <li>• All handbags must be secured in your assigned locker. Merchandise for which you have not paid cannot be stored in your locker.</li> <li>• Pocketbooks, gym bags, lunch bags/ pails etc., that do not fit in your locker, must be retained in the Manager's office until the end of your work shift.</li> <li>• All lab coats must be kept in a designated area of the pharmacy when not in use and must be left in the store.</li> <li>• Lab coats must only leave the store if the lab coat needs to be cleaned and must be checked by the Pharmacist or Store Manager upon leaving the pharmacy.</li> </ul>
Colleague Bag / Personal Belongings Check	<p>Bag checks are performed consistently at the end of all shifts on all colleagues in the front store and pharmacy by a member of management.</p> <ul style="list-style-type: none"> <li>• If a lab coat leaves the premises it must be checked by the Pharmacist in Charge or FS Management.</li> <li>• Lockers need to be used by all colleagues during an colleague's shift for all personal items and locked when in use.</li> <li>• CVS expects that all colleagues have all bags checked by a member of the management team prior to leaving the store. It is the joint responsibility of the colleague and management team to ensure that all bags are checked.</li> <li>• Lockers and locks remain company property, and CVS reserves the right to inspect locker contents at any time. Only a company-issued lock should be used on the locker.</li> </ul> <p>During a bag check, if merchandise is found in a bag, the colleague will be asked for a receipt. If a receipt cannot be provided at the time of the bag check, the merchandise must be retained in the Managers Office for further review.</p>
Reporting Colleague Diversion	<p>If questionable or suspicious activity is observed, for example, someone leaving the premises with concealed drugs or with a prescription that was not paid for, you must report these activities.</p> <p>First, report the matter to EthicsLine by calling 877-CVS-2040 or by accessing Ethics point at <a href="http://www.cvscaremark-ethicsline.ethicspoint.com">www.cvscaremark-ethicsline.ethicspoint.com</a>. Second, if you're comfortable doing so, inform your immediate supervisor of your concerns.</p>

## Diversion and Diversion Trends, continued

<b>Customer Diversion Overview</b>	<p>Drug diversion is when an individual takes a drug out of the pharmacy for illicit use. Typically, the individual takes the drugs for personal use or for sale to others. <b>Drug diversion is a crime.</b> CVS is also at risk for customer diversion. We will now review some of the common ways in which customers divert drugs.</p>														
<b>DEA Drugs of Concern</b>	<p>The federal Drug Enforcement Administration has identified certain drugs as "drugs of concern." These drugs present a high risk for abuse or diversion, and you should be particularly conscious of potential diversion issues when dispensing these drugs. You should also be alert to losses involving these drugs.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 5px;">Opioids (pain medications)</td><td style="width: 50%; padding: 5px;"> <ul style="list-style-type: none"> <li>Hydrocodone -- Vocodin, Lortab</li> <li>Oxycodone -- Tylox, Percodan, OxyContin, Percoset</li> <li>Fentanyl -- Actiq, Duragesic</li> <li>Hydromorphone -- Dilaudid, Palladone TM</li> <li>Buprenorphine -- Buprenex, Suboxone, Subutex</li> <li>Methadone</li> </ul> </td></tr> <tr> <td>Other anesthetics</td><td> <ul style="list-style-type: none"> <li>Ketamine -- Ketalar, Ketaset, Ketajet</li> <li>Fospropofol -- Lusedra</li> </ul> </td></tr> <tr> <td>Benzodiazepines (anti-anxiety medications)</td><td> <ul style="list-style-type: none"> <li>Alprazolam -- Xanax</li> <li>Clonazepam -- Klonopin</li> <li>Diazepam -- Valium</li> <li>Lorazepam -- Ativan</li> <li>Temazepam -- Restoril</li> </ul> </td></tr> <tr> <td>Muscle relaxants</td><td> <ul style="list-style-type: none"> <li>Carisoprodol -- Soma</li> <li>Cyclobenzaprine -- Flexeril</li> </ul> </td></tr> <tr> <td>Methylphenidates (stimulants)</td><td> <ul style="list-style-type: none"> <li>Ritalin, Concerta, Metadate, Methylin, Focalin</li> </ul> </td></tr> <tr> <td>Anabolic steroids</td><td></td></tr> <tr> <td>Human Growth Hormones</td><td> <ul style="list-style-type: none"> <li>Genotropin, Humatrope, Norditropin, Nutropin, Saizen, Serostim</li> </ul> </td></tr> </table> <p>Some DEA field divisions have identified other drugs of concern based on local trends, including Amphetamines, Codeine, Adderall, Meperidine, Phendimetrazine, and Promethazine.</p>	Opioids (pain medications)	<ul style="list-style-type: none"> <li>Hydrocodone -- Vocodin, Lortab</li> <li>Oxycodone -- Tylox, Percodan, OxyContin, Percoset</li> <li>Fentanyl -- Actiq, Duragesic</li> <li>Hydromorphone -- Dilaudid, Palladone TM</li> <li>Buprenorphine -- Buprenex, Suboxone, Subutex</li> <li>Methadone</li> </ul>	Other anesthetics	<ul style="list-style-type: none"> <li>Ketamine -- Ketalar, Ketaset, Ketajet</li> <li>Fospropofol -- Lusedra</li> </ul>	Benzodiazepines (anti-anxiety medications)	<ul style="list-style-type: none"> <li>Alprazolam -- Xanax</li> <li>Clonazepam -- Klonopin</li> <li>Diazepam -- Valium</li> <li>Lorazepam -- Ativan</li> <li>Temazepam -- Restoril</li> </ul>	Muscle relaxants	<ul style="list-style-type: none"> <li>Carisoprodol -- Soma</li> <li>Cyclobenzaprine -- Flexeril</li> </ul>	Methylphenidates (stimulants)	<ul style="list-style-type: none"> <li>Ritalin, Concerta, Metadate, Methylin, Focalin</li> </ul>	Anabolic steroids		Human Growth Hormones	<ul style="list-style-type: none"> <li>Genotropin, Humatrope, Norditropin, Nutropin, Saizen, Serostim</li> </ul>
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## Diversion and Diversion Trends, Continued

<b>Doctor Shopping</b>	<p>“Doctor shopping” refers to the practice of an individual patient (who may or may not have legitimate medical issues) visiting multiple doctors in order to obtain multiple prescriptions for a controlled substance. The individual will typically have the multiple prescriptions filled at different pharmacies. By doctor shopping, an individual can obtain a large quantity of controlled substances for purposes of abuse or diversion.</p> <p><b>Best practices to mitigate against the diversion threat presented by doctor shopping:</b></p> <ul style="list-style-type: none"> <li>• When checking Patient Profile information, be alert for similar prescriptions filled at other CVS locations.</li> <li>• If a Prescription Drug Monitoring Program is in operation in your state, consider whether to consult available information.</li> <li>• If you identify duplicative prescriptions, notify the prescriber.</li> <li>• If you have any question about whether a prescription was issued for a legitimate medical purpose, attempt to verify with the prescriber. If you cannot verify the prescription, do not dispense the medication.</li> </ul>
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<b>Early Refills</b>	<p>Repeated requests for early refill of a controlled substance prescription may be an indicator of diversion.</p> <p><b>Best practice to mitigate against the diversion threat posed by early refills:</b></p> <p>Strictly comply with applicable CVS policies and procedures regarding refills.</p> <ul style="list-style-type: none"> <li>• Note attempts by a patient to obtain an early refill in the patient profile and consult the patient profile when determining whether to honor an early refill request</li> <li>• Consider consulting the Prescription Monitoring Program information available in your area, if applicable, to determine if this particular patient has demonstrated any pattern of making early refill requests at other pharmacies.</li> <li>• If you determine it is appropriate to honor the early refill request, document the rationale for that determination.</li> </ul>
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## Diversion and Diversion Trends, Continued

<b>Pill Mills and Rogue Pain Clinics</b>	<p>Some doctors will prescribe large quantities of controlled substances to patients, with minimal medical evaluation. Patients often travel long distances to obtain prescriptions from so-called "Pill Mills" for purposes of abuse or diversion.</p> <p><b>Best practices to mitigate against the diversion threat posed by "Pill Mills":</b></p> <ul style="list-style-type: none"> <li>• Pharmacists should be mindful that they have a corresponding responsibility under the federal regulations for the proper dispensing of controlled substances. A pharmacist must ensure that any controlled substance prescription is valid before dispensing the medication.</li> <li>• To be valid, a prescription must be issued for "a legitimate medical purpose by an individual practitioner acting in the usual course of his professional practice."</li> <li>• A prescription may meet the technical requirements for a valid prescription (signature, date, etc.), but will be invalid if it is not issued for a legitimate medical purpose in the usual course of professional practice.</li> <li>• Pharmacists are required to use their professional judgment to determine whether a prescription was issued for a legitimate medical purpose and in the usual course of professional practice.</li> <li>• Some indications of a Pill Mill operation include: <ul style="list-style-type: none"> <li>○ Large number of controlled substance prescriptions written by a single prescriber or practice</li> <li>○ Prescriptions written for unusually large quantities of controlled substances</li> <li>○ Prescriptions written by a particular prescriber that contain uniform dosage and quantities</li> <li>○ Issuance of prescriptions for antagonistic prescriptions (depressant and stimulant) at the same time</li> <li>○ Prescriber repeatedly issues new prescriptions or refills for controlled substances to a patient</li> <li>○ Prescriptions written by local prescriber for out-of-state patients</li> <li>○ Prescriptions for a controlled substance written for multiple members of one household</li> <li>○ Disconnect between prescriber's specialty and substances prescribed</li> </ul> </li> <li>• If there is a question as to whether a prescription was issued for a legitimate medical purpose, the pharmacist should contact the prescriber for verification.</li> <li>• Even if the prescriber indicates that the prescription should be filled as written, the pharmacist must still use his or her professional judgment to determine whether the prescription was issued for a legitimate medical purpose and in the usual course of professional practice.</li> <li>• In areas where "Pill Mills" are prevalent, the ordering patterns for particular drugs with high abuse potential (e.g., hydrocodone or alprazolam) may increase, sometimes significantly.</li> </ul>
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## Diversion and Diversion Trends, Continued

<p><b>Theft</b></p>	<p>Controlled substances and listed chemicals may be the target of attempted thefts. These substances may also be the target of colleague theft.</p> <p><b>Best practices to mitigate against the theft of controlled substances and listed chemicals:</b></p> <ul style="list-style-type: none"> <li>• Strictly comply with all applicable laws, regulations, and CVS policies and procedures regarding the security of the pharmacy premises. Access to the pharmacy is restricted and Pharmacists have a responsibility to: <ul style="list-style-type: none"> <li>○ Verify that the monitored alarm system is in operation, functioning properly</li> <li>○ Ensure that security cameras, in identified stores, are in operation and functioning properly</li> <li>○ Ensure that the doors to the pharmacy are locked</li> <li>○ Restrict access to pharmacy to authorized colleagues</li> <li>○ Ensure that approved visitors, guests, and vendors are supervised while in the pharmacy</li> <li>○ Ensure that all colleague's personal items are stored in accordance with CVS policies (e.g. all personal items stored in the locker, not in the pharmacy)</li> </ul> </li> <li>• Strictly comply with all applicable laws, regulations, and CVS policies and procedures regarding controlled substances, including: <ul style="list-style-type: none"> <li>○ CII substances must be kept in pharmacy safe or narcotics cabinet</li> <li>○ Pharmacy safe or narcotics cabinet should be secured at all times</li> <li>○ Only authorized colleagues should have access to controlled substances</li> <li>○ Follow proper procedures for receiving controlled substances</li> <li>○ Follow proper inventory procedures, including maintenance of CII perpetual inventory and execution of physical inventories</li> </ul> </li> <li>• Immediately report issues relating to theft through the appropriate channels <ul style="list-style-type: none"> <li>○ In the event of a robbery or break-in, colleagues must follow CVS's policies and procedures regarding such events and must also immediately report the incident to the local law enforcement authorities.</li> <li>○ Any suspected breach of pharmacy security must be reported immediately to the Pharmacist on duty, the Pharmacy Supervisor, LP, and/or the Ethics Line.</li> <li>○ All thefts/losses of controlled substances must be immediately reported to Pharmacist on duty so that the DEA and other relevant authorities can be notified in accordance with CVS's Theft or Significant Loss of Controlled Substance Policy.</li> </ul> </li> </ul> <p><b>Any suspected incidents of colleague diversion must first be reported immediately to the Ethics Line by calling the EthicsLine at 877-CVS-2040 or online at <a href="http://www.cvscaremark-ethicsline.ethicspoint.com">www.cvscaremark-ethicsline.ethicspoint.com</a>. Second, if you're comfortable doing so, inform your immediate supervisor of your concerns.</b></p>
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## Diversion and Diversion Trends, Continued

<p><b>Altered, Forged or Fraudulent Prescriptions</b></p>	<p>Drug seekers and criminals may attempt to obtain controlled substances through the use of prescriptions that are <u>not valid</u> and that have been altered or forged. They may alter or forge prescriptions in a variety of ways, as described below:</p> <ul style="list-style-type: none"> <li>• Alter prescriptions originally received from a legitimate practitioner</li> <li>• Copy a prescription to use it multiple times</li> <li>• Steal a prescription pad to write fraudulent prescriptions</li> <li>• Create prescription pads using a doctor name and contact number that is answered by the patient or by an accomplice</li> <li>• Attempt to call in a prescription posing as a doctor's office and giving their own phone number as the call back number for confirmation</li> </ul> <p><b>IMPORTANT:</b> CVS Pharmacy staff must be vigilant and exercise sound professional judgment. If you have a question about any aspect of a prescription order, you must seek to verify the prescription. If you cannot do so, do not dispense the medication.</p> <p>There are a number of signs to look for, with regard to prescriptions, prescribers and patients, to spot a potentially fraudulent prescription including:</p> <p><b>Prescriptions . . .</b></p> <ul style="list-style-type: none"> <li>• that appear to be photocopied</li> <li>• written in different color inks, or in different types of handwriting</li> <li>• written in full, with no abbreviations, or that do not comply with standard abbreviations</li> <li>• with unusual quantities, directions or dosages that do not comply with usual practice</li> <li>• written for antagonistic drugs (e.g., depressants and stimulants) for a single patient</li> </ul> <p><b>Prescribers . . .</b></p> <ul style="list-style-type: none"> <li>• who write significantly more prescriptions than other practitioners in the area</li> </ul> <p><b>Patients . . .</b></p> <ul style="list-style-type: none"> <li>• residing in one state who present prescriptions from a doctor in another state</li> <li>• who travel a long distance to fill a prescription</li> <li>• who return too frequently or too early to refill prescriptions</li> <li>• who seek to pay for the prescription with cash</li> <li>• who consistently obtain "cocktailed" or combination prescriptions for drugs with high diversion potential (e.g., oxycodone, hydrocodone and alprazolam)</li> </ul> <p>Some of the signs relate to technical requirements for a valid prescription; others relate to the requirement that prescriptions be issued for a legitimate medical purpose. Pharmacy staff must be satisfied that all requirements of a valid prescription have been met before a prescription may be filled.</p> <ul style="list-style-type: none"> <li>• When contacting a prescriber to verify a prescription, use the phone number in RxConnect if that number differs from the phone number on the prescription.</li> <li>• Note the conversation with the prescriber's office on the prescription.</li> <li>• If the prescription cannot be verified, it cannot be filled.</li> </ul> <p>In some states, only anti-forgery prescription forms may be used for CII drugs. It is important that pharmacy staff dispense based on prescription forms that are proper.</p> <p><b>Consequence:</b> It is illegal to knowingly dispense controlled substances pursuant to an invalid prescription, including a prescription that is forged, altered or fraudulent. A pharmacy staff member who fails to take steps to verify a prescription when there is reason to believe it is not valid and, instead, fills the questionable prescription can be prosecuted criminally and/or lose his or her professional license.</p>
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## Topic #4 – Youth Employment Law

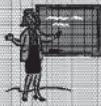
### Key Points to Remember

The following are the key points that you must remember about Youth Employment at CVS:

1. Colleagues must be **at least 16 years old** in order to be eligible for hire at CVS.
2. Minors (*colleagues under the age of 18*) must adhere to the **scheduling restrictions** that apply in their state and the Management Team must schedule according to those restrictions.
3. Minors are required to have a **"Minor" sticker** adhered to their name badge at all times.
4. Minors may not perform any of the **prohibited activities** that were outlined in this section and adult colleagues may not instruct or allow a minor to perform any of the prohibited activities.
5. Minors are required to take **breaks/lunches/rest periods** on every shift worked, in accordance with CVS policy. If your state law is more stringent then you must follow state law. \*

\*Union stores should refer to the Union contract.

#### Overview



At CVS/pharmacy we value all of our colleagues and continuously strive to be fair and ensure the safety of all colleagues. We have policies to ensure safety, including ensuring the adherence to laws and regulations pertaining to those colleagues who are **"minors"**.

We also have policies to ensure minor colleagues are scheduled in accordance with federal, state, and local laws.

All colleagues of CVS/pharmacy are required to adhere to all policies and procedures related to the work tasks and scheduling of minors, including state specific laws. *Refer to your state's employment law poster and review the requirements.*

#### What is a "Minor"

Anyone under the age of 18 is considered a "minor". CVS colleagues who are minors (i.e., 16 or 17) must adhere to federal, state, and local laws required of that population.

**NOTES:** The employment of those under the age of 16 is not allowed due to the limitations of hours that may be worked and work/duty restrictions. In addition, colleagues need working permit/papers, as required by state and/or local law if under the age of 18, before being placed on the schedule.

**IMPORTANT:** Many states have minimum age requirements for pharmacy colleagues that may vary from the front store. These regulations must be adhered to at all times. Please discuss your state's requirements with a member of management and/or Pharmacist.

#### "Minor" Name Badge Stickers

All team members under the age of 18 must have the mandated **"minor name badge sticker"** affixed to their name badge, to the right of the colleague's name. This sticker, which is a small yellow circle containing an uppercase letter "M". It helps ensure that those who are under 18 are assigned to the appropriate tasks.

## Youth Employment Law, Continued

Scheduling	<p>Management Team Members must ensure that minors' schedules and work-tasks are in accordance with CVS/pharmacy policy as well as federal, state, and local laws.</p> <p>Generally, to comply with various state laws, all colleagues under the age of 18 must adhere to the following scheduling restrictions:</p> <ul style="list-style-type: none"> <li>• Hours scheduled must be between the hours of 7:00am and 10:00pm</li> <li>• May not work more than 4 hours on a school day</li> <li>• May not work more than 8 hours on a non-school day</li> <li>• May not work more than 20 hours in a school week</li> <li>• May not work more than 30 hours in a non-school week</li> <li>• May not work more than 6 days per week</li> </ul> <p><b>NOTE:</b> Some state laws may be less stringent, but before a minor is scheduled outside the policy set by CVS/pharmacy, the schedule must be reviewed with and approved by your Human Resource Business Partner (HRBP) in advance. If your state law is more stringent, you <b>must</b> follow state law.</p>
Colleague Breaks	<p>In accordance with CVS policy all colleagues, including minors, are required to take breaks/lunches/rest periods on every shift worked including:</p> <ul style="list-style-type: none"> <li>• One paid 15-minute break for each four-hour period worked</li> <li>• One paid 15-minute break and one unpaid 30-minute meal break for each 6 hour period worked</li> <li>• Two paid 15-minute breaks and one unpaid 30-minute meal break for each 8 hour period worked</li> </ul> <p><b>NOTE:</b> Union stores must refer to their Union contract for any variances in the break policy.</p> <p>Managers are not permitted to correct payroll records to record unpaid meal periods without first verifying with the colleague that a full meal period was taken.</p> <p>A waiver of a meal period is defined as the colleague voluntarily opting not to take their full meal period. Waivers are not allowed in all states. If permitted by state law, waivers must be authorized by store management in advance.</p> <p>If a waiver of the meal period is unauthorized or not permitted by state law, Store Management cannot penalize colleagues by recording an unpaid meal period that was not taken; rather, it should be managed as a disciplinary issue.</p> <p><i>For example, if a colleague fails to take a 30-minute meal break, Store Management cannot deduct a meal break from the timecard. This colleague should be counseled regarding the meal period requirement.</i></p> <p><b>NOTE:</b> Some state laws may be less stringent, but the above is CVS/pharmacy policy and is expected to be adhered to at all CVS locations. If your state law is more stringent, you <b>must</b> follow state law. California stores should refer to the <a href="#">CA Meal Breaks &amp; Rest Periods Policy</a>.</p>

## Youth Employment Law, Continued

<b>Management Responsibilities</b>	<p>Management Team Members are responsible for the following regarding the employment of minors:</p> <ul style="list-style-type: none"> <li>• A copy of the Minor Store Colleague report (LEARNet) is posted next to store schedule.</li> <li>• All "minors" have the appropriate sticker ("M") on his/her name badge (#440346).</li> <li>• Pharmacists know who the minors are in your store.</li> <li>• Sticker(s) are posted on hazardous equipment (balers, compactors, freight elevators, forklifts, conveyors, etc.) (#337750).</li> <li>• All hazardous equipment has operable locks, locks are used, no equipment is left unlocked or with keys hanging from the lock, and no minors have access to those keys.</li> <li>• If installation or repair of locks is needed, the FIXX line must be called.</li> <li>• Any colleague who violates the policies by asking or allowing a minor to perform a prohibited task is disciplined.</li> <li>• Ensure compliance with all state / federal laws, as well as CVS policies related to youth labor.</li> </ul> <p><b>Consequence:</b> Failure to follow regulations will be regarded as a violation and result in disciplinary action up to, and including, termination of employment.</p>
<b>"Minor" Colleague Responsibilities</b>	<p>All minor colleagues are responsible for understanding:</p> <ul style="list-style-type: none"> <li>• Hours they are allowed to work</li> <li>• Which tasks he/she cannot complete according to federal or state specific laws due to the colleague's age and/or the equipment required for the task</li> <li>• You must say "no" to requested shift changes that are in violation of allowable times/hours</li> <li>• You must say "no" to prohibited tasks</li> <li>• How to respond when asked to work hours that violate state or federal law or to perform a prohibited task (<i>Use the examples below if you are in this situation.</i>)</li> <li>• If a fellow colleague asks you to work for them on Tuesday night, but you are already scheduled 20 hours this week, say <i>"I'd really like to help you out but I'm already at 20 hours for the week. Until I turn 17, I can't risk losing my job."</i></li> <li>• John usually loads the baler at night when he works, but he hasn't finished facing and the store closes soon. If he asks you to help him out, say <i>"It's not that I don't want to help you, but if I touch the baler, I could lose my job."</i></li> </ul> <p><b>Minor colleagues shall NOT perform the following prohibited activities:</b></p> <ul style="list-style-type: none"> <li>• Load, unload, or operate balers or compactors</li> <li>• Operate or climb on any forklift, powered industrial truck (such as a "Walkie Stacker" and "Big Joe") or conveyor belt</li> <li>• Enter into or operate a freight elevator</li> <li>• Load or unload goods from a truck or conveyor belts</li> <li>• Drive, or be a passenger in any vehicle to deliver merchandise between stores/facilities OR to customers OR to deliver bank deposits</li> <li>• Adjust belts on machinery or clean, oil or wipe machinery</li> <li>• Mix photo processing chemicals or work with photo chemicals in concentrated form</li> <li>• Sell any age restricted product as described in federal and/or state laws (e.g. alcohol)</li> </ul> <p><b>Consequence:</b> Failure to follow regulations will be regarded as a violation and result in disciplinary action up to, and including, termination of employment.</p>

## Youth Employment Law, Continued

Policy Violations	The following are considered to be in violation of CVS policy: <ul style="list-style-type: none"><li>• An adult colleague (18 years of age or older) instructs or allows a minor colleague to perform any prohibited activity</li><li>• A minor colleague performs a prohibited activity</li></ul>
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### NOTE

All colleagues should review the Open Door Policy (Appendix A) which explains how the colleague can handle a situation in which they are asked to complete a prohibited task or are scheduled for hours in violation of CVS policy, or federal or state law.

## Topic #5 – Dated Merchandise

### Key Points to Remember

The following are the key points that you must remember about Dated Merchandise at CVS:

1. Any expired merchandise must be removed from the sales floor and not available for customer purchase. Expired Baby Food, Children's Remedies and Dairy products that are either sold or available for sale may result in immediate termination.
2. When stocking the weekly delivery, working promo or if you take product off the shelf to count it when completing Price Changes, be careful to place product back on the shelf according to age (older in the front, newer in the back).
3. Never cover the following **key product information** when placing price labels or other product labels on an item:
  - Ingredients
  - Expiration Date or Lot Numbers
  - Warning Labels
  - Instructions for Use
4. A WEEKLY Dated Merchandise Review audit of select categories is MANDATORY in all stores. The specific categories and timelines to pull items are communicated via the Workload Manager on the Store Controller in the Manager's Office.
5. Check for outdates as instructed.
  - Check date codes on **Dairy** (milk, egg, cheese, etc.) products daily and **Ready Made Products** (sandwiches, salads, etc.) if applicable in your store as you walk by the department each day. Remove expired product immediately.
  - Know that some departments require expired product to be removed **3 Days prior to, 30 Days prior and 60 Days prior to expiration.**
6. Returnable product is sent via Damages to the distribution center and non-returnable product must be processed under Markup Markdown, marked down to zero, destroyed, and discarded.

#### Overview



In an effort to ensure that our customers have quality, fresh product available at our stores, it is important that we all play a part in rotating products. The simple act of product rotation:

- Ensures the customer is purchasing the freshest product in-stock in our stores
- Maintains our customers' trust in us

**It is our goal to ensure that our customers have access to only the freshest products.**

A WEEKLY Dated Merchandise Review audit of select categories is MANDATORY in all stores. The specific categories and timelines to pull items (according to the timelines outlined in this section) are communicated via the Workload Manager on the Store Controller in the Manager's Office.

## Dated Merchandise, Continued

Store Audits	<p>Stores MUST perform the following steps when completing a store audit for dated product:</p> <ol style="list-style-type: none"> <li>1. Audit all date coded items in the assigned category. The exact nature of the audit will be left up to each Store Manager's discretion. Store Managers will determine the most effective review plan based on their experience in the store and with the products being reviewed.</li> <li>2. Pull any items expiring within the specified timeline (30 days 60 days, or 3 days depending on the category).</li> <li>3. Process the pulled items.</li> <li>4. Enter the quantity of items pulled by category on the feedback questions in the Workload Manager task, and complete the task.</li> </ol>								
Product Rotation	<p><b>EXPECTATION:</b> Any expired merchandise is to be removed from the store and not available for customer purchase</p> <p>Product Rotation is the practice of keeping the oldest product at the front of the shelf. As new product is received, it is placed behind the existing product. In essence, every time merchandise is touched as part of the completion of a task, the opportunity presents itself to perform product rotation.</p> <p>Product rotation should be performed / verified when completing the following tasks:</p> <table border="1" data-bbox="416 1051 1403 1262"> <thead> <tr> <th>When</th><th>Note</th></tr> </thead> <tbody> <tr> <td>Delivery Day</td><td>When stocking shelves, new product is placed behind existing product.</td></tr> <tr> <td>Price Changes</td><td>If you take product off the shelf to re-price or count it, place product back on the shelf according to age (oldest in front, newest in back).</td></tr> <tr> <td>Push</td><td>As with delivery day, when conducting a backroom push, you have the opportunity to make sure the product is properly placed on the shelf.</td></tr> </tbody> </table>	When	Note	Delivery Day	When stocking shelves, new product is placed behind existing product.	Price Changes	If you take product off the shelf to re-price or count it, place product back on the shelf according to age (oldest in front, newest in back).	Push	As with delivery day, when conducting a backroom push, you have the opportunity to make sure the product is properly placed on the shelf.
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Price Changes	If you take product off the shelf to re-price or count it, place product back on the shelf according to age (oldest in front, newest in back).								
Push	As with delivery day, when conducting a backroom push, you have the opportunity to make sure the product is properly placed on the shelf.								
Product Pricing/EAS Procedures	<p>Below is a list of important product information that must be visible to the customer. A computer-generated ticket, price gun ticket or EAS tag must never cover this information from the customer.</p> <ul style="list-style-type: none"> <li>• Ingredients</li> <li>• Expiration Date or Lot Numbers</li> <li>• Warning Labels</li> <li>• Instructions for Use</li> </ul>								

## Dated Merchandise, Continued

<b>Date Sensitive Products</b>	<p>Some of the items we carry in our store are "date sensitive" which means they have a limited shelf life and the manufacturer often prints the expiration date of the product on the container.</p> <ul style="list-style-type: none"> <li>• Items must be checked for outdates and pulled from the store a certain number of days prior to the expiration date.</li> <li>• All expired product is removed from the store and not available for customer purchase. The timeframe for pulling product from the shelf depends on the type of product it is.           <ul style="list-style-type: none"> <li>◦ The Weekly Workload Manager review will indicate the appropriate timeline to pull dated merchandise for the categories that are being reviewed. Store Resources (the CVS store online resource library) also contains the policies.</li> </ul> </li> <li>• Expired product is processed following Returnable / Non-Returnable Damage procedures.</li> </ul>	
	<b>Product Pull Timeframe</b>	<b>Description</b>
	<b>Daily Pull Items</b>	<ul style="list-style-type: none"> <li>• <b>Dairy</b> (milk, egg, cheese, etc.) products</li> <li>• <b>Ready Made Products</b> (sandwiches, salads, etc.) in our Urban Stores</li> </ul> <p style="margin-left: 20px;"><b>Remove all EXPIRED Dairy Products and Ready Made Products from the cooler and from customer accessibility.</b></p>
	<b>3 Day Pull Items</b>	<ul style="list-style-type: none"> <li>• <b>DSD</b> (Direct Store Delivery) items</li> <li>• <b>Cookie/Cracker Planogram</b> warehouse items</li> </ul> <p style="margin-left: 20px;"><b>These items must be pulled from all locations <b>3 days prior</b> to the expiration date <b>or before</b> the next delivery date.</b></p>
	<b>30 Days Pull Items</b>	<ul style="list-style-type: none"> <li>• <b>Candy, Grocery, Salty Snacks</b></li> <li>• All other warehouse consumable items not included in categories listed above</li> </ul> <p style="margin-left: 20px;"><b>These categories must be pulled from all locations in the store <b>30 days</b> prior to the expiration date, and processed as appropriate.</b></p>

<b>Date Sensitive Products</b>	<b>Product Pull Timeframe</b>	<b>Description</b>				
		<b>60 Days Pull Items</b>	All products from the following categories is to be pulled from all locations in the store <b>60 days</b> prior to the expiration date, and processed as appropriate			
		<ul style="list-style-type: none"> <li>• Allergy</li> <li>• Baby Care</li> <li>• Batteries</li> <li>• Children's Remedies</li> <li>• Cold Remedies</li> <li>• Cosmetics</li> <li>• Diabetes</li> </ul>	<ul style="list-style-type: none"> <li>• Diet/ Nutrition</li> <li>• Family Planning</li> <li>• Feminine Hygiene</li> <li>• Film</li> <li>• First Aid</li> <li>• Foot Care</li> <li>• Home Diagnostic</li> </ul>	<ul style="list-style-type: none"> <li>• NRT</li> <li>• Oral Hygiene</li> <li>• Pain Relievers</li> <li>• Pet Needs</li> <li>• Shampoo/ Conditioner.</li> <li>• Skin Care</li> <li>• Stomach Remedies</li> </ul>	<ul style="list-style-type: none"> <li>• Sun Care</li> <li>• Tobacco</li> <li>• Top of Checkout</li> <li>• Trial Size</li> <li>• Vitamins</li> <li>• Warm Juice</li> </ul>	
As well as all other warehouse OTC (Over-the-Counter) date sensitive items not included in the categories listed above.						

**Dated Merchandise, Continued**

Zero Tolerance Policy	Baby Food, Children's Remedies and Dairy categories are managed with a zero tolerance policy. Expired products that are either sold or available for sale from one of these three categories may result in immediate termination.
Consequence of Selling Expired Product	<u>Consequences:</u> If expired products are sold or found available for sale in your store, it is a violation of this policy, resulting in disciplinary action up to and including termination.
Report Expired or Close Dated Items Received	Any items shipped from the distribution center that are already EXPIRED or CLOSE DATED (product that will expire within 30 days) should be reported via the "Report Close Dated Shipments from DC" survey. The link to this survey is located on Store Resources under the Store Operations tab.

## Summary & Assessment Requirements

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### Summary

**You have completed the March 2011 Bi-Annual Compliance Training for Pharmacists and Interns!**

Now that you have completed each of the topics included in this course, go back through and review the information in more detail.

Every store colleague is responsible for completing the March 2011 Compliance Training Bi-Annual Re-Assessment, which can be done in one of two ways:

1. From Radar Store – PREFERRED METHOD
  
2. From LEARNet

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## Appendix A - Open Door Policy/Ethics Line

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### Open Door policy

On *and* off the job, we expect all CVS team members to comply with the law, and treat other people with respect, honesty and courtesy. Doing what is *right* is our basic standard of behavior.

If you...

1. find yourself in a difficult situation,
2. do not know what to do when you believe something is wrong, or
3. develop concerns over what you believe are violations of law, unethical practices, improper colleague conduct or other improper practices

...then, you are encouraged to follow the steps below:

Process for Resolving Problems and Issues	
If	Then
you have a question, problem or issue,	inform your immediate supervisor.
you are not comfortable with this approach, or your immediate supervisor cannot or does not resolve your question, problem or issue satisfactorily,	you may contact the next level of management.
you are not satisfied with the outcome after speaking with the next level of management,	you may contact your Human Resources Representative.
you are not satisfied with the outcome after speaking with these people,	you may request that your Human Resources Representative review your case with the appropriate management.

However, all colleagues may use the CVS Ethics Line at any time to report any of these questions, problems or issues.

### The CVS Ethics line

The CVS Ethics Line is in place to help you "do things right." All calls will be treated in a highly confidential manner to the extent permissible by law or except as otherwise required by a governmental agency or body. You are urged to use this resource whenever you have a question or concern that cannot be addressed within your work group or through your supervisor -- call the CVS Ethics Line at any time.

- CVS Ethics Line (100% Confidential) call: 877-CVS-2040 or visit online at [www.cvscaremark-ethicsline.ethicspoint.com](http://www.cvscaremark-ethicsline.ethicspoint.com).
  - All colleagues may use the CVS Ethics Line at any time to report any of these questions, problems or issues.
- For hearing impaired: 1-800-856-1885
- Fax: 1-800-547-4953
- E-mail: [Ethics.BusinessConduct@cvs.com](mailto:Ethics.BusinessConduct@cvs.com)
- Write:
 

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